

# THE GUARDIAN

London

Thursday July 8 1971

4p

## Reflation hint comes with Market terms

Broad hints from the Government of a reflationary package within the month or two coincided yesterday with the publication of the White Paper recommending British entry into the Common Market.

Members of the National Economic Development Council, who had met to discuss possible deal by Government, industry, and unions on economic expansion and price restraint, came away with the impression that Mr Barber will announce reflationary measures as soon as the present Treasury review of the economy is completed later this month.

The Prime Minister confirmed in the House that the Government's Whips will be for the decision on entry into Europe. Mr Heath is to make a Ministerial

## Feather gives humbs down

By JOHN TORODE, Labour Correspondent

Victor Feather, general secretary of the TUC, yesterday added his voice to the chorus of opposition to joining Europe on the current basis of the TUC's policy-making committee will come out against common market too.

And he prophesied that the TUC's policy-making committee will come out against common market too.

Feather's reaction comes in the face of the fact that the TUC had agreed to support the Government's proposal for entry into the Common Market.

Feather pointed out that the TUC had agreed to support the Government's proposal for entry into the Common Market.

## A step towards economic unity

By JOHN PALMER

Government, the industry and the public have taken a significant step towards economic unity in the agreement on a policy of incomes, prices, and the money supply.

This agreement was reached at the monthly meeting of the National Economic Development Council in London yesterday.

The meeting was attended by representatives of the TUC and the Government, as well as the Chancellor of the Exchequer, Mr. John Davies, and the Secretary of State for Employment, Mr. Roy Jenkins.

The union leaders were in agreement that the Government had come a long way towards accepting the situation of the present economic situation and the need for reflation, which has been argued by the TUC.

There were few objections to the use of the word "reflation" in the paper submitted to the meeting by the Government.

The use of the word "reflation" was a significant step towards economic unity, as it was the first time that the Government had used the word in a public statement.

## The case for Europe

The main points of the White Paper are:

Britain will have an equal voice with France, Germany, and Italy in the Community's institutions.

English will become an official Community language.

Britain's contribution to the EEC budget will mean a net cost to our balance of payments of £100 millions in the first year and £200 millions at the end of the transition period in 1977. No forecast is possible beyond 1980.

Food prices are likely to rise by 15 per cent during transition, increasing the cost of living by 0.5 per cent a year.

Farm output is expected to increase by an additional 8 per cent.

Industrial tariffs between Britain and the EEC will be reduced by 20 per cent each year during transition. External tariffs against nonmembers will be raised to Common Market levels over four years, starting in 1974, to allow Commonwealth readjustment.

The safeguards for New Zealand will ensure that 71 per cent of its dairy products will be sold at the end of the transition. Its lamb market will not be protected but is expected to maintain acceptable levels.

The EEC undertakings on sugar imports from the Commonwealth are regarded as a firm assurance of a secure and continuing market in the enlarged Community.

Certain Commonwealth countries have until January 1975 to decide on association with EEC. Dependent territories will also be offered association.

The Channel Islands and the Isle of Man will not be full members but will have reciprocal rights and obligations.

The Community tariff on tea will be suspended.

Coastal fishery arrangements are unsatisfactory and will be reconsidered. The Government is determined to safeguard British fishermen's interests.

There will need to be modifications in the Government's powers over the coal and steel industries, but they will be free to develop on commercial lines. Production quotas can only be introduced in times of manifest crisis, of which there seems no likelihood.

Britain will join Euratom without fee but deposit knowledge of equivalent value after accession.

Sterling balances will be gradually run down after membership to assist European monetary union, but no time limit has been set. Sterling will be phased out as a reserve currency.

The Community is still considering British proposals for dismantling exchange control restrictions to allow free movement of capital.

We will subscribe £37.5 millions to the European Investment Bank, but the greater part of it will probably stay in Britain.

In foreign affairs we shall be involved in no greater obligations than we have assumed in Western European Union. There is no question of eroding essential national sovereignty.

Membership will provide the most favourable opportunity for achieving economic progress and increases in food prices will be offset by lower prices for other consumer items.

Increases in efficiency and competitive power should offset the balance of payments costs of entry in ten years.

## White Paper in full, 11-14

Reaction and prospects	...	...	...	4
Leader comment	...	...	...	10
Peter Jenkins	...	...	...	15
Economic analysis	...	...	...	16, 17
Parliamentary reaction	...	...	...	24

## Davies routs Labour on steel man's sacking

By NORMAN SHRAPNEL, Parliamentary Correspondent

However Mr William Camp, British Steel's head of information, came to be fired it had nothing to do with the Government according to Mr John Davies.

The Secretary for Trade and Industry is fireproof and so is his junior colleague, Sir John Eden.

This was the marvellously cool product, or non-product, that came off the Commons assembly line at the end of the day yesterday. We have had many a strange scene in Parliament lately, but none stranger than Mr Davies, once the most maladroit of Ministers, delighting the Tories by his handling of this ill-advised clash.

To demolish the formidable Michael Foot would have been enough. To get the better of Mr Wilson, even in his present unimpressive form, could presumably be claimed as an even bigger success. To meet them both head-on, forged into a white-hot steel front and with a furnace of angry backbenchers behind them, and still come out unscathed, was reckoned a sheer triumph.

It makes Mr Davies from now on a man to be reckoned with, politically as well as just managerially.

Mr Foot based his indignation on two things, both of which were quietly disposed of by Mr Davies in a way that brought joy to every steel heart on the Conservative benches. One was the supposed Government objection to figures which Mr Camp had supplied and which Mr Foot had used in a debate. Objection—what objection? The Minister had no desire in the world to deprive Mr Foot of any information which might be of use to him.

The other outrage Mr Davies had committed, in Mr Foot's view, was his statement without any notes. This was obviously regarded by Mr Foot—himself the most accomplished "look, no notes" man in Parliament—as sheer impertinence.

The other outrage Mr Davies had committed, in Mr Foot's view, was his statement without any notes. This was obviously regarded by Mr Foot—himself the most accomplished "look, no notes" man in Parliament—as sheer impertinence.

The other outrage Mr Davies had committed, in Mr Foot's view, was his statement without any notes. This was obviously regarded by Mr Foot—himself the most accomplished "look, no notes" man in Parliament—as sheer impertinence.

The other outrage Mr Davies had committed, in Mr Foot's view, was his statement without any notes. This was obviously regarded by Mr Foot—himself the most accomplished "look, no notes" man in Parliament—as sheer impertinence.

The other outrage Mr Davies had committed, in Mr Foot's view, was his statement without any notes. This was obviously regarded by Mr Foot—himself the most accomplished "look, no notes" man in Parliament—as sheer impertinence.

The other outrage Mr Davies had committed, in Mr Foot's view, was his statement without any notes. This was obviously regarded by Mr Foot—himself the most accomplished "look, no notes" man in Parliament—as sheer impertinence.

information of what was being written about it in the press.) Mr Camp said that it was quite wrong, therefore, for Mr Davies to say "that the Government have made no representations to Lord Melchett about information supplied by Mr William Camp of the British Steel Corporation to members of Parliament." Lord Melchett had, in fact, asked Mr Camp to prepare a detailed reply to Sir John Eden's complaints. Mr Camp said that on May 25 Mr R. Peddie, the corporation's managing director (administration) had given him a full account of the meeting.

Earlier, Mr Camp had said that he did not regard his dismissal as in any way normal and that he was taking legal advice.

The key to the settlement lies with South Africa. In spite of official denials, I understand the Prime Minister, Mr Vorster, has been approached to use his influence with Mr Smith. The British feel that Mr Vorster need only send a private message to Salisbury to produce a remarkable change.

I understand the sticking point in the talks came over the pace of African advancement. Mr Smith felt the franchise qualification process as set by Britain for the settlement constitution were too low, and meant a black government too soon. Mr Smith himself had no worthwhile alternatives to propose.

Patrick Keatley, page 2

## Dear Breadwinner

Sorry I laughed when you nearly fell downstairs this morning. Didn't mean to. You were right to be frightened. I was too when I thought of it. The children and I are totally dependent on you. Money would soon run out. Fixing the stair carpet is not enough.

Soon after, your father phoned: "Tell him to give the risk on his life to the Scottish Provident. They are used to accepting risks. In return you get security. It's done so you all benefit—even if he doesn't have an accident."

"He selects one of their endowment assurances. It's only a few pounds a month, whatever he can afford. Then they insure his life for thousands of pounds. Tell him if he doesn't give my favourite daughter-in-law more security I'll disinherit him!" End of message.

Supper is in the oven. Don't burn yourself on the dish. Please fetch me early darling, you know how boring Maggie's bridge evenings are.

Kisses, Tessa.

You win both ways with a Scottish Provident endowment: security in case of death; or a handsome cash payout if you survive. It's very simple and secure. Of course, for the very best, ask your broker about Selected Period Investment. It's a unique Scottish Provident idea. No broker? Then look in the yellow pages. Or send for our leaflet.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

THE Scottish Provident INSTITUTION

helps you look ahead with assurance

6 St Andrew Square, Edinburgh EH2 2YA. Tel: 031-556 1407



Princess Anne at Tuesday's royal garden party: her most recent public appearance

## Surgery for Anne

PRINCESS ANNE had an emergency operation last night for the removal of an inflamed ovarian cyst, from which a haemorrhage had occurred.

Buckingham Palace said the operation took place at King Edward VII Hospital for Officers in Marylebone, London. "Her condition tonight is satisfactory," a Palace announcement said.

The Princess appeared to be well on Tuesday when, with the Queen and the Duke of Edinburgh, she attended the first of the season's garden parties at Buckingham Palace.

The operation was performed by Sir John Peel, the Queen's gynaecologist. The Queen's physician, Sir Ronald Bodley Scott, was consultant.

Turn to back page, col. 1

## No free vote

He ruled out a free vote. The Government's view is that Parliament in the autumn will be asked to take one of the biggest decisions ever made by it in the peace-time.

If the British Government had no advice to give to its supporters when the vote was taken it would lose the respect of the world.

In the Government's view the present members of the EEC had taken up a position, to which Britain's entry would involve them in political problems in their own countries. How then could the UK Government fail to ask for the votes of its supporters?

Ministers recognise that the Opposition is not bound in any way by what the Government has decided to do. Any opposition, in the view of Ministers, is free to allow a free vote—as the Tories themselves in opposition decided to do from time to time. But the Government will ask its supporters in the autumn to vote for joining Europe—and expects to win.

Mr Heath will make a broadcast today and will take a press conference in London on Monday at which representatives of the world press will be able to ask questions on Britain's position after entry into the EEC.

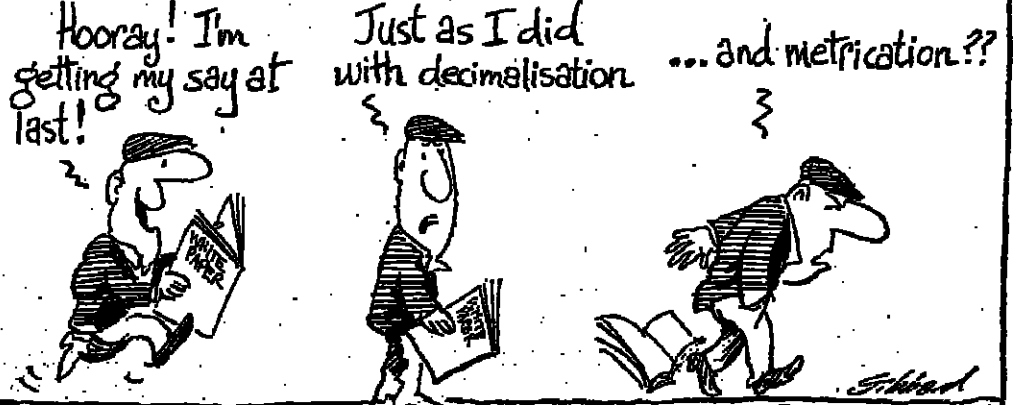
The first print of the White Paper setting out the case and terms for British entry was 100,000, and each MP was allowed 13 copies. The shorter version is to be available free in Crown Post Offices from Monday: 5 million copies of this version are being printed.

## Thorpe view

Mr Jeremy Thorpe, the Liberal leader, said yesterday that the White Paper showed that the negotiations started by the Labour Government had been successful. "I'm certain," Mr Thorpe said, "that if Mr Wilson were still Prime Minister he would be appearing on television tomorrow night to commend these terms to the nation."

The most striking feature of the White Paper is what it leaves out. It does not present, as the Labour Government's White Paper of February, 1970, tried to do, a balance sheet of the advantages and disadvantages to industry.

Turn to back page, col. 1











By T. D. ALLMAN

erners, the majority do not derive their incomes from the primary sectors — namely the Government service, the high industry or small business. The relative affluence of most rests on the multiplied effect of foreign money which has been drawn to the city by convenient access to the sea and by the Vietnam war and the instability of neighbouring regimes have meant an influx of capital that has allowed Bangkok to live for years beyond its means. The city exports two million dollars worth of air-conditioners annually from America alone and enjoys a per capita income about twice the national average of \$75.

Will Bangkok's thread of prosperity ever break? It is already somewhat frayed. Now that American R and S soldiers are no longer coming in big

expenditures on military bases have ended and the rice glut is eroding the country's foreign exchange reserves, the city has begun to slow down perceptibly.

## Transition

But more menacing factors cloud Bangkok's future than the predictable period of economic transition. The city's ennobling, if somewhat disreputable, amiable rests on two factors. Neither the degradation of over-population nor the

But the city's continuing inability to cope with its enormous growth and Thailand's soaring birth rate may do just that. Although the country remains underpopulated by world standards, its population is growing, virtually unchecked by 3.3 per cent, or one million a year. The youngest sons and unwanted daughters flow into a

exploitation of an industrial revolution has alienated Bangkok's millions from their humanity.

But the city's continuing inability to cope with its enormous growth and Thailand's soaring birth rate may do just that. Although the country remains underpopulated by world standards, its population is growing, virtually unchecked by 3.3 per cent, or one million a year. The youngest sons and daughters are the most fertile city which even now are increasingly ineffective escape valve for over-population and rising expectations.

In the absence of a Government commitment to strenuous birth control or effective city administration Bangkok will continue to belittle the younger generation and with none of nineteenth century Manchester's productivity.

In Bangkok, such dire predictions fall on deaf ears. The city's predilection to live for the moment is both the key to its chaotic charm, and to its impermanent record as the Thai nation's most fertile city.

# Japan 'seeking nuclear arms'

From ROSS TERRILL: Peking, July 1

the Australian Government nevertheless took the delegation to the SEATO. He said it was one of several treaties springing from the "soul" of the former US Secretary of State, John Foster Dulles, aimed at encircling China. "Now our northern neighbor is Dulles's successor," said Chou about Moscow.

Premier Chou then sought to equate, in an analogy that seemed strained, Australian experience with the United States and Chinese experience with the Soviet Union. To Australian protestations that Russia and America were not the same, he rejoined: "But they both want to control others."

A picture was painted of Japan, Russia, and the United States triple threats to "the soul" of SEATO. When Mr. Whitlam submitted that the "soul of Dulles no longer marches on," Chou partly agreed and warmly praised the US people.

Chou's main purpose seemed to be to badger Mr. Whitlam on Australia's alliance with the US, and on its possibly insufficient awareness of Japanese dangers. Bilateral issues between China and Australia were hardly discussed.—Washington Post.

# Ceausescu demands a cultural purge for Rumanians

Vienna, July 7 agency, called for strong

President Ceausescu of Rumania directed the Rumanian Communist Party today to launch a nationwide campaign to re-institute Communist purity and discipline throughout society.

His directive, submitted to the executive committee of the party's central committee in Bucharest, was couched in terms recalling earlier Comintern resolutions and appeared to herald a cultural purge and a new wave of puritanism, observers said.

Mr Ceausescu, party leader as well as President, called on the nation to combat cosmopolitanism and bourgeois influences and to work harder and more honestly. The role of the worker in society should be more respected, he said.

The President's appeal appears to signal the end of Western television programmes in Rumania, which will come as a blow to Rumanian youth which appears fascinated by most aspects of Western—particularly American—life, observers said.

Mr Ceausescu has recently returned from an Asian tour in which he studied the militant, collective brand of communism which has gained since the 1960s a revolution in China.

The presidential directive, published by the Rumanian press, the Rumanian news

revolutionary propaganda in reaches of society, especially in schools and the entertainment and cultural world."

It demanded prohibition of alcoholic drinks in youth establishments, an end to pessimism, devotion to Marxist ideology, replacement of bourgeois amusement by national songs, operas, dances and satire. Rumanian peasants should be seen more often in these programmes, the President declared.

A principal target was youth, especially "parasitic elements" for whom the party says they live on their parents' backs. The party must encourage them to work on building sites and in public utility work, the President decreed.

Guidance from the party's central committee of the party was applied in drawing up educational programmes. One theme of summer training for teachers was devoted to political information, to ideological debate, the decree stated.

Reuter.

● Mr Todor Zhivkov, the First Secretary of Bulgaria's Communist Party, resigned Bulgaria's premiership and was immediately elected the newly created post of President. Mr Stanko Todorov, aged 51, Zhivkov's deputy as party secretary, was elected the new Prime Minister by the one-party Parliament.

# Jet deal riot by students

### From our Corresponder

Lusaka, July 10.—Police battled for four hours today to put down a riot of 1,000 University of Zambia students protesting against the government's decision to allow South African firms to manufacture military fighters under licence. The demonstrators attacked the French Embassy and the armaments sought cover as stones and bricks shattered windows. The students then scaled a wall and ran down the French tricolour. Police retaliated by firing tear-gas shells and high-pressure water charges. Fifty people were arrested and four students injured. It was the worst outbreak of its kind since students attacked the British High Commission four miles from the city in 1968 over Britain's arms policy for South Africa. President Kaunda and several Zambian leaders are pressing the French to stop the arms deliveries. South Africa new military assistance. Only last year Kaunda led an Organisation of African Unity mission to demand the arms sale to South Africa. Its only non-success was in Paris where President Pompidou appeared to promise that an order of arms for South Africa would be cancelled. He assured the mission that France would never provide South Africa with military equipment which could be used against African peoples.

# Guaranteed next day delivery?



# NCL's Yellow Diamond has 200 routes licked.

NCL's Yellow Diamond Service may cost a bit more, but it offers you a whole lot more, too. Next day delivery or your money back. On 200 routes covering the whole country. And the list is growing fast. So, if you've got to get something somewhere with

**No slip-ups, all the signs point one way.  
To NCL's Yellow Diamond.**

**For immediate action, phone or write  
to any NCL depot or area manager. Or to  
National Carriers Limited, NCL House,  
21a John St., London WC1N 3BX.  
Tel: 01-242 9050.**

**There has to be a best in everything. In freight it's NCL.**







## HOME NEWS

## Strike pay depletes union funds

By KEITH HARPER

Britain's second largest union, alarmed at the way funds have dwindled by £4 millions over the past years, has asked its accountants for a detailed breakdown of how it is spending the money.

The total assets of the engineering section of the amalgamated Union of Engineering and Foundry workers now stand at £14.75 millions—a drop of £1.28 million on the previous year.

At a special meeting of the executive this week, accountants went through the union's financial report by page. The most glaring increase in expenditure has been in strike pay. Last year, the union paid £805,000. This year, it has reached £1 million.

As the union pursues its policy of supporting strikes, this respect, the engineers in a similar position as his brother, the Transport General Workers' Union, is also paying a bigger proportion of its costs in strike pay. Dispute in the TGVU topped £1 million mark last year compared with £225,747 in 1966.

## BSC faces tough pay negotiations

BY OUR LABOUR STAFF

A new round of tough negotiations faces the British Steel Corporation over the by 15,000 blastfurnace workers for a substantial pay rise.

A further official action is now a strong possibility if the talks fail. The National Union of Blastfurnacemen, who off their last strike after days at the beginning of month, to allow further negotiations, made it clear that they were unwilling to increase since 1967. The union has 100,000 other workers in industry and were aimed to press for some considerably better.

At a conference at Scarth yesterday gave power to executive to take what action necessary, including strikes, to support the pay claim, which was extra 35 per cent. The negotiating committee is in talks with the BSC as is possible and although signal claim still stands, union will probably try to get the corporation to settle increase of about £4 a

## Law scheme 'should start at once'

By our Legal Correspondent

Government should without delay the society's "£25 scheme" for access by the public to its, according to the Lord Chancellor's advisory committee.

The committee, commenting on the twentieth annual report of the Law Society on the legal aid scheme, says it would be a mistake if the implementation of the scheme were postponed. The scheme would allow citizens to get help from the State up to the value of £100 a week, a contribution for those more than £11 a week.

As now estimated that the scheme would cost some £1.7 million and £1.5 million. But the proposal is widely welcomed by all parties. All those with the problem of some groups regarded the action of the scheme as the greatest benefit of the greatest

Legal Aid and Advice. Twentieth Report of the Law Society for 1969-70. 45p.

## Bureau must pay £33,958

Sheila Lilian Albert, husband was killed while given a lift in a friend's car on a three-year legal yesterday to get £9,858 from the Motor Insurance Bureau.

House of Lords ruled the car driver, whose work-gave him money, beer or tea for lifts to work, was passengers "for hire or reward," and was therefore bound to insure them.

decision means that Mrs Lilian Albert's award for husband's death, which was unpaid due to the cost of the driver's insurers, who and Marine, must be the bureau. They must pay costs and interests. As one of two passenger cases decided by the yesterday, which will the bureau in paying

out a total of nearly £34,000 compensation.

Mrs Albert, of Star Lane, Canning Town, was awarded the damages against Mr James Quirk, of Montesquieu Terrace, Canning Town, in December, 1967.

A High Court judge and, later, three judges of appeal had decided her claim against the bureau could not succeed because her late husband was not being carried "for hire or reward," and therefore passenger insurance was not compulsory.

The bureau is bound to compensate victims only if insurance is compulsory. Lord Donovan said Mr Quirk had run "what might be loosely called an unofficial taxi service." Viscount Dilhorne and Lords Pearson, Diplock and Cross agreed. In the second case, the House dismissed an appeal by the

## Powell warns again

By our own Reporter

Mr Enoch Powell returned to his most doomsday and classical language at Whiteley's Café, Huddersfield, yesterday, to urge the Government to use the new Immigration Bill to replace net Commonwealth immigration by net Commonwealth emigration.

He said there were dangers in knowingly and deliberately accepting a future in which a quarter or fifth of cities would consist of New Commonwealth immigrants.

Referring only to the "repatriation clauses" in the Bill, he said the Government had provided itself with the means to apply public money and public organisation to this purpose. Addressing the Huddersfield Junior Chamber of Commerce, he declared: "On the scale and determination with which they do so it is not too much to say that the future of only of towns like yours and mine but of the country itself depends."

For the next few years the Government's responsibility was crucial. "Britain stands poised over a fateful decision, one more fateful even than membership of the European Community, a decision in the strictest sense irreversible."

He said the decision could be taken by doing nothing until it was too late. Mr Powell used emigration figures to argue that the ratio of the coloured population to the total increased far more rapidly than one would suppose from looking at the coloured increase in isolation.

He also claimed that net immigration from the New Commonwealth was 12,000 in May, last year, and April, this year, was "over 40,000"—more than 10 per cent higher than in the earlier 12 months.

The Home Office said yesterday that net figures, balancing arrivals and emigrations, were not a reliable guide. The important figures were of those coming for settlement. These showed that the number of New Commonwealth immigrants had fallen from 33,942 (plus 6,249 largely East African UK citizens) in 1968 to 28,562 (plus 6,838 UK citizens) in 1970. In the first four months of this year they continued to fall from 8,203 in the first four months of 1970 to 6,867 (plus 2,374 UK citizens as compared with 1,951).

## Drinking on the increase

By our own Reporter

FIGURES for drunkenness last year continued the upward trend established in 1967. There were 82,374 proved offences compared with 80,502 in 1969—a rise of 2.3 per cent.

Drunkenness is now moving towards the 1962 peak of 83,982 offences. The United Kingdom Alliance, a temperance organisation with a political objective, said yesterday that the figures in the Home Office report were disappointing but not unexpected.

The City of London has a kind of false pre-eminence in the drunkenness table with 566.7 offences per 10,000 of the population, which suggests that one City inhabitant in 20 got drunk. But police said nearly all the drunks came into the City over its eastern border.

This leaves Liverpool and Bootle at the top of the table with 124.02 offences per 10,000, followed by Leeds (70.89), Birmingham (56.81), the Metropolitan Police District (55.69), and Manchester and Salford (53.45). The lowest is Norfolk with 2.9. The average is 22.02.

The largest increase was among males aged between 30 and 59 (771). For both sexes taken together, the number of offenders under 18 was up by 41.

The Home Office: *Offences of Drunkenness, 1970*. Stationery Office Command 4710, price 12p.



Penny Vinson (centre) is settling in as the newly appointed warden of the permanent gipsy camp at Tyttenhanger, near St Albans. The warden's job ranges from collecting the £2.50 weekly rent to organising evening activities in the Community Room

## 'Bad faith' over council house sales attacked

COUNCILS WHICH reversed decisions to sell council houses should be required to compensate adequately any prospective purchaser who had entered into negotiations, Mr Norman Tehbit (C. Epping) said in the Commons.

Constituents had spent their life savings, sold their cars, and cancelled holidays to make improvements to houses they believed they would be able to buy, he said. They were "astounded at the ill-faith of the arrogant partisan politics of those who denied this to them."

MR WALKER, Secretary for the Environment, told Mr Tom Urwin (Lab., Houghton-le-Spring) it was estimated that the halving of SET would cut building costs by 1 to 2 per cent, or about £60 on the cost of an average three-bedroomed house. Mr Urwin thought there was little likelihood of the

reduction in tax being passed on to the buyer.

THE Television Licensing (Elderly Persons) Bill, which provides for a cheaper television licence for old-age pensioners, passed its committee stage. But, because of lack of Commons time, there is little chance of the Bill's becoming law.

THE Government gave notice of presentation of a Bill containing powers to enable

## Parliament

Britain to administer Anguilla. The Bill was given a formal first reading.

MR GRIFFITHS, Joint Parliamentary Under-Secretary for the Environment, said in a written reply that 175 people were killed on pedestrian cross-

ings in England in 1970. There were 1,547 seriously injured.

MR PEYTON, Minister for Transport Industries, said in a written reply that injuries were caused in 307 instances of vehicles crossing the central reservation on motorways last year.

THE Motor Insurers' Bureau paid about £48,000 to June 25 to meet claims against Vehicle and General policyholders, Mr Peyton said.

THE Transport Holding Company hoped to complete the sale of Lunn-Poly to Cunard shortly.

THE publicity campaign for improvement grants was followed by an increase of 26 per cent in the number of grants approved in the first four months of this year, compared with the same period in 1970, Mr Amery, Minister for Housing and Construction said.

## Rider's damages reduced

A moped rider who failed to wear a crash helmet was partly liable for his injury, three judges ruled in the Court of Appeal in London yesterday.

They reduced the £7,097 damages awarded to a moped driver by over £1,000 to £6,032. The judges' reserved decision was prepared before yesterday's announcement by the Minister of Transport for sweeping new road safety laws which include making crash helmets compulsory.

Mr Charles O'Connell, aged 49, of Latham Avenue, Wallasey, Cheshire, had been awarded the damages at Manchester Assize against a motorist, Mr Thomas Jackson who appealed saying Mr O'Connell was partly to blame because he was not wearing a crash helmet.

His appeal was allowed with costs.

## College staffs push on pay

By our Education Correspondent

Hundreds of technical teachers and lecturers lobbied MPs yesterday in protest at delays in the settlement of their 35 per cent pay claim. A delegation was told by Mrs Thatcher that there was no chance of progress until a result has emerged from the current arbitration of school-teachers' pay.

Mr Tom Driver, general secretary of the Association of Teachers in Technical Institutions, said after meeting Mrs Thatcher that the union could find itself submitting a new pay claim this autumn within weeks of the settlement of the existing one. He thought it would be mid-August before his members had an offer, and it could easily be September before there was agreement.

He added that union representatives hoped to see the Education Secretary again in the autumn to put proposals for revising salary bargaining in further education, so that this became separated from school-teachers' pay.

The ATTI wants a collective bargaining system which would allow simultaneous negotiations on salaries and conditions of service; an opportunity to change anomalies by mutual agreement within the currency of a pay settlement, an end to the legal limitations of the current Burnham Report; and voluntary rather than compulsory arbitration.

## Tate trustee

Lord Harlech has been appointed a trustee of the Tate Gallery in succession to Mr Andrew Forge, whose term of office expires in September.

CUSTOMER NUMBER	456
CUSTOMER NAME	ELECTRIC CO.
ADDRESS	44 HAMILTON RD BIRMINGHAM 11
KEY DELIVERY ADDRESS OR NOT ENTER	
CUSTOMER NAME	ELECTRIC CO.
ADDRESS	44 HAMILTON RD BIRMINGHAM 11
KEY SPECIAL DELIVERY INSTRUCTIONS	
METHOD OF TRANSPORT	TRAIN
DELIVERY DATE	19/6/71
ENTER GENERAL ORDER DATA	
TOTAL NO OF LINES	3 ORDER DATE 19/6/71
DISCOUNT IN %	10 PAYMENT DATE 19/6/71
END OF GENERAL ORDER DATA	
PROGRAM-KEY 3 TO CONTINUE ORDER	
PROGRAM-KEY 1 TO CANCEL ORDER	

## You're looking at an exciting new programme from Scotland.

That, of course, is no ordinary screen.

It's the read-off screen on what is formally called the IBM 3270 Information Display System.

But the 3270 is a Scottish programme: IBM's manufacturing plant at Greenock has won responsibility to supply it to over 100 countries throughout the world. (And if initial orders and interest are anything to go by, that's going to mean a lot of exports!)

But the 3270 is just one programme keeping Greenock busy.

In addition to display units they also manufacture data

entry equipment, terminals, computers and optical character readers. Giving employment to around 2000 people.

And, together with Havant (IBM's other major UK manufacturing plant), they exported some £41m. worth of products in 1970.

But all this activity means more than statistics. Projects like the IBM 3270 are putting British computer manufacturing personnel among the most advanced in the world.

And that's a long-term benefit that just can't be measured.

**IBM**

IBM United Kingdom Limited, 389 Chiswick High Road, London, W4.



## Judge orders 'fire risk' hotel to close

BY OUR OWN REPORTER

A High Court judge yesterday ordered a London hotel to close until adequate fire escapes were installed.

Mr Justice Plowman said that if the Hyde Park International Hotel was to operate during the month it would take to carry out the agreed safety work, guests would be subject to the risk of losing their lives.

"That may sound dramatic, but it is literally true," the judge said, "and this court is not so powerless as to be unable to prevent that state of affairs." The Greater London Council had asked the High Court to order that the 73-bed hotel in Inverness Terrace, Paddington, be shut down. The GLC alleged that as a result of building work at the hotel, it was a serious fire trap.

Mr Justice Plowman said the hotel's owners, Mr and Mrs Chaudry, had been warned of the possible consequences if they persisted in using the premises as an hotel without the GLC's approval, but they had declined to do so. They had declined to give an undertaking, and he had to deal with the matter on the basis that they might, at any moment, change their minds and take in guests again.

The owners had always known what the legal requirements were. They had been professionally advised when they modernised the hotel, and the GLC in May had warned them of the consequences if they persisted in using the premises as

### £90,000 more

The Department of Education has increased its grant to the British Academy for the coming year by over £90,000, to £380,500.

## 'Tell tales' cut women's benefits

SINGLE women with children are in danger of having their supplementary benefit stopped if anonymous neighbours suggest that a man has stayed the night in their home, two MPs said yesterday.

Dame Joan Vickers, Conservative MP for Devonport, and Miss Joan Lester, Labour MP for Eton and Slough, claimed that while the Supplementary Benefits Commission rules that allowances should be adjusted for single women who are cohabiting—sharing a common home and pooling their household funds with an employed man—too often local officials, in Miss Lester's words, "are trying to prove they are having sexual intercourse."

The MPs are launching a

campaign to ensure that an allowance continues to be paid when a family disputes the reason for cutting it off, until an appeal to a tribunal is heard; and that every case of cutting off an allowance should come before a tribunal. At present, they said yesterday, too many people were so embarrassed by the accusations that they did not dispute the ending of the payments.

Mr Frank Field, Secretary of the Child Poverty Action Group, which is backing the campaign, yesterday praised the Supplementary Benefits Commission for laying its procedures open to the community but said the machinery did not work as smoothly as it appeared to. Benefit was sometimes cut off for cohabiting when, if local officers had read the

handbook on cohabitation, they would not have cut it off. In nearly all cases taken up by the CPAG, benefit had been restored, but he believed that most of the 4,300 cases where allowances were reduced or withdrawn for cohabitation in 1970 (excluding fictitious desertions) would not stand up if tested.

In one case he quoted, a woman called the police to eject a man she had been living with for three weeks and who was the father of her child. Her landlord then decided she was an easy touch and hammered on the door at night. When she refused him, he informed the Supplementary Benefits Commission local office. When an officer arrived, he refused to search the flat so that she could establish there was no one else

there, and tore up her benefit book. Dame Joan Vickers said: "A chap may come to a multi-occupied house and stay overnight. If a neighbour tells, an officer comes round, the allowance is cut off—and all that may have occurred is that the man has missed his bus."

Mr Field said that anonymous callers were responsible for most tip-offs. It was remarkable how quickly officers came round—even though complaints about non-payment of benefit might take weeks to answer.

Speakers at the press conference to launch the campaign yesterday emphasised that the effect of the local practices of officers was to discourage the women involved from establishing permanent relationships, since once they

started courting, they were in danger of losing benefit. Miss Lester said: "Supposing a man stays the odd night and sleeps with a woman, he is supposed to pay her." The MPs are to seek an adjournment debate in the Commons on the subject.

The Department of Health and Social Security said last night that mistakes sometimes occurred in a service employing 18,000, many of them reflecting the values of the local community, and all subject to the tensions inherent in a changing society. If any one knew cases which they claimed had not been properly investigated, they should let the department know.

Martin Adeney

## Miners warned by new chief

The new chairman of the National Coal Board, Mr Denys Austin, yesterday warned miners of "serious consequences" if the industry if its prices rose faster than those of other fuel

He was speaking to a National Union of Mineworkers conference in Aberdeen on 24 hours after the leaders' 280,000 pit workers decided to press the board for wage rise of up to 47 per cent and to their claims with the threat of industrial action.

It would be risky if prices rose substantially over the rate at which other fuel prices went up, Mr Austin said.

"We would be placed on more in a very exposed position with serious consequences if the industry. It is thus essential that we exercise the greatest care and restraint in increasing our prices again at a time like the rate at which we had to increase them over the past 12 months."

Mr Austin said that enlargement of the Common Market would put the industry in a stronger position to satisfy EEC's need for coal. He was speaking in the face of what was to be an overwhelming NUM vote today against Mr Austin.

The industry's chief target said Mr Austin was "a far stronger position for Mr Lawrence Day, the union general secretary, told the conference that serious industrial conflict might erupt if the industrial relations Bill became law and men going into the pits to their right under the Bill to join the union.

The conference unanimously carried an executive motion opposing the Bill and demanding its withdrawal.

## Negligence killed bridge painters

BY OUR CORRESPONDENT

Two men who were killed by a train when they were painting a railway bridge were victims of "terrible negligence," Dr Mary McKelvey, the Croydon coroner, said yesterday.

Every single safety rule was broken, she said, and she criticised the lack of communication between British Rail and the contractors employed to paint the station bridge at Chislehurst, Kent.

The men Mr Maurice Mansell, aged 56, of East Hill, Wandsworth, and Mr Alexander Paul, aged 36, of Ermine Road, Lewisham, were struck by a diesel engine travelling at 60 mph. They were working near a pneumatic tool and did not hear a whistle blown by the engine's lookout, the inquest heard.

Returning an open verdict, the jury said there had been "gross lack of communication"

between British Rail and the contractors, and a lack of enforcement of safety measures.

Mr John Cook, a foreman painter, said the gang was not wearing high-visibility orange coats because there were none on the site. Mr Charles Bolton, of British Rail, said the contractors were responsible to see the men wore orange coats.

The train driver's mate, Mr William Dockrell, said he and the driver saw the gang on a previous journey. They were dragging something across the track and failed to acknowledge the train's warning signal.

Southern Region said they had held their own inquiry into the accident and would not disagree with the coroner. The accident had happened largely because existing safety regulations were not carried out, but they had no reason to believe the rules were inadequate.

## Culver backed by MPs

By our own Reporter

FOURTEEN Labour MPs have petitioned the commander of the US Third Air Force in Britain, General John Bell, in support of Captain Thomas Culver, who faces a court-martial today for his part in the Whit Monday anti-Vietnam protest by American servicemen at the US Embassy in London.

The MPs, led by Mr Frank Ainsworth, wrote that they found certain aspects of the case "highly disturbing." They said: "From what we can gather, Captain Culver's actions were dignified and restrained, in exercise of rights guaranteed him, we understand, under the American Constitution, and not in any way calculated to bring the forces under your control into disrepute."

## Cure rate for cancer rises

BY OUR CORRESPONDENT

Modern radiation treatment of one form of cancer—Hodgkin's disease—has raised the chances of a cure by 12 times, the Cancer Research Campaign was told yesterday.

Professor J. F. Fowler, director of the campaign's Gray Laboratory at Mount Vernon Hospital, Middlesex, told the campaign's annual meeting in London that in 1940 a sufferer from the disease, which affects the lymph system, would have had only a 6 per cent chance of surviving for five years—less than standard of successful treatment.

Last year he had a 73 per cent chance and recent results suggested an even higher figure. New high-power apparatus was partly responsible, but success was due in great part to better knowledge of the way the disease spread.

Some other cancers were yielding to treatment to an even

greater extent. "Patients with skin cancer now have a 98 per cent chance of cure by radiation, and those with early breast cancer, early cancer of the neck of the womb, and early cancer of larynx have a 90 per cent chance of cure," Professor Fowler said.

Late diagnosis reduced the chances of survival, but between 50 per cent and 75 per cent of patients with these three diseases now survived five years.

Vaccination against leukaemia might become possible from work going on in research for a human leukaemia virus, Professor William Jarrett, and Dr Oswald Jarrett, of Glasgow University veterinary hospital and department of virology, said.

Knowledge of animal leukaemia viruses had now reached the stage where it was possible to test the theory that viruses played a part in human leukaemia, they added.

## New cars 'full of faults'

By our Motoring Correspondent

This month's issue of "Motoring Which?" out today, returns to its attack on the condition of new cars. Of 46 cars tested, none was fault-free: they were delivered to their owners with a total of 589 faults.

"Motoring Which?" says most of its subscribers report similar troubles. And as many as one in four found repairs done under guarantee were unsatisfactory. For specific faults, the proportion among cars tested ranged from one in two having faulty trim, to one in nine with wrongly-adjusted wheel bearings—a defect which could be potentially dangerous.

The same issue deals with complaints about dealers' order forms, which deprive motorists of their common law rights (a subject tackled enthusiastically by the late Consumer Council). The Consumers' Association, publishers of "Motoring Which?" is very critical of the order form and recommends buyers to refuse to sign, or to cross out any restrictive clauses in it. Exclusion clauses, it points out, are a serious obstacle to getting faults put right: it gives a list of various manufacturers' forms, none of which is completely free from such clauses, but is shows that British Leyland's is vastly improved.

In its test of five £900 saloons, the magazine criticises all models (Hillman Avenger, Triumph Toledo, Vauxhall Viva VV1302, and Renault 6) for insufficient attention to safety. They are all criticised for inadequate padding, and potentially dangerous interior projections: some features, says the magazine—which has recently stepped up its campaign to promote safety—should be banned by law, if the manufacturers do not voluntarily eliminate them.

In a separate review, "Motoring Which?" looks at motoring offences and concludes that it is simply not worth pleading "not guilty" to the more common prosecutions. Of those who have been charged with speeding in 1969, 99 per cent were found guilty. The table of offences and penalties suggests that the risk of being caught speeding is far greater than that of stealing a vehicle, for which only 80 per cent of those charged were convicted.

## The bare facts for children

By our Correspondent

CHILDREN under the age of 10 might worry because Donald Ducks and Rupert Bears did not have genital organs, Dr Josephine Klein, a social psychologist, said at the Oz obscenity trial at the Central Criminal Court yesterday. She said that a Rupert bear drawing in Oz might indicate to them: "Well folks, it has not been removed. He really has got one after all."

Mr Brian Leary, for the prosecution, said: "If you carry your suggestion to its logical conclusion, it would mean Mickey Mouse ought to be fitted up with an organ to show children of a certain age group that they need not worry."

Dr Klein, of Goldsmiths' College, London, said some unhappiness could be saved if animals in children's books were illustrated "with nothing left out."

Dr Klein, who is unmarried, said that if she were a parent, she would try to prevent her children having sexual intercourse before the age of 16. "But you can't lock up your children," she said.

The hearing continues today.

## 'Danger' in safety code

Cards being given to school children certifying that they are proficient pedestrians are dangerous and give a child a false sense of security on the road, the Transport Minister John Peyton, was warned yesterday.

An attack on the recent introduction of Green Cross Cards, which certifies that a child is proficient after crossing the roads under parental supervision, was made by the National Association for Road Safety Instruction in Schools.

The Department of the Environment said the cards were designed to get parents to assist in road safety training. Past surveys had shown the fewer than 50 per cent of adults had shown interest in road safety campaigns. The department added that no safety material for teachers was being prepared and would be sent to all schools.

A total of 175 people were killed on pedestrian crossings in England and Wales in 1970, Mr Griffiths, Joint Parliamentary Under Secretary for the Environment, said in a Commons written reply yesterday. There were 1,547 serious injuries. In the same year, children up to the age of 16 were seriously injured on crossings and were seriously injured.

## Anaesthetic check after patient dies

BY A CORRESPONDENT

A check is to be made on patients being given halothane anaesthetic at the Radcliffe Infirmary, Oxford, after the disclosure at an inquest yesterday that an elderly woman developed

liver failure after successive injections of the drug. The Oxford coroner, Mr T. E. Gardiner, recorded a verdict of death by misadventure on Mrs Elsie Mary Bingham, aged 56, of Hivings Park, Chesham, who died on May 20 while waiting for a major operation.

Dr Jonathan Jerslin, a senior anaesthetist, said he gave Mrs Bingham halothane on April 27

and knew that she had been given it at least twice before while under treatment for liver cancer.

He carried out the standard hospital procedure of asking she had any ill effects from previous injections but was nothing to suggest that a check of halothane-induced jaundice was present.

Dr R. H. Cowdell, consulting pathologist, said he could not escape the conclusion that Mrs Bingham had died from hepatitis brought on by halothane—though it was one of the safest anaesthetics known.

## Education link criticised

By our Churches Correspondent

The Church of England is recommended today to widen its involvement in education, particularly adult, further, and higher education. The report of the Carle Commission on the educational role of Anglican dioceses says the Church should also recognise the educational potential of the Open University, radio, and television.

Under the title "Partners in Education," it suggests that the attitudes taken by the Church towards these spheres of education "are of critical significance in gaining and retaining credibility as a serious guardian of educational values."

There are 6,500 Anglican schools in England and Wales, the report says, providing

education for some 96,000 children. About 30 per cent of all primary education in England and Wales still takes place in these Church schools. The commission, which reviews the way the 40 dioceses run their educational affairs, proposes some basic changes in administration. "Putting our educational house in order is as urgent as it is vital," it says. Integrated administration could provide the foundation for new educational work by the Church.

It says ecumenical links in education should be strengthened. Diocesan education committees were not giving church cooperation the attention it deserved. The commission says: "It is not merely a

question of considering the possibility of schools jointly adopting other Christian bodies. There ought to be with other bodies, and with other engaged in education, joint examination of fields of educational development and joint issues of national concern."

The independent commission was set up by the National Society for Promoting Religious Education, founded in 1811, which built thousands of schools before State education began. It finds, among other things, that "administrative matters concerning with buildings, the curriculum, and the development of the Church's educational role. The involvement should now be extended."

# A complete motorway system would cost 250,000 acres of our countryside, 16,000 million pounds and could be complete in 43 years.

## Fortunately there exists an alternative.

True, we need better roads. But to build a motorway system that would equal our 10,000 miles of rail would be the ruin of the country.

We have a strong rail system that can carry more people and more freight faster and cheaper than any other form

of surface transport. It will look after our interests in the future only if we protect its interests today.



**British Rail**

A Great British Investment



011001111111







THE TITLE OF *Je t'aime Je t'aime* (Paris Fullman), heraldic in sans serif capital letters, gales on a sable ground, is probably the only unambiguous thing about it. Alain Resnais' new film is an exploration of time past and time present: the young man involved has no time future. He is a failed suicide who, when he is asked how it feels to have pulled through, replies: "But I didn't." Time doesn't travel forward, it is fluid, said Resnais. His films express the same view. The mechanics of "Je t'aime Je t'aime" may be a little absurd, but the game's the same.

The failed suicide, Claude Ridder (Claude Rich) is persuaded by a group of scientists to take a trip down the avenues of time. They have already experimented with a mouse in a time machine and sent it back one minute ("What a hero!", Claude comments). Now they want to try it with a man, by sending him back in time precisely one year but for only one minute. The plan goes awry, Claude keeps returning to different points of his past, and the screen succumbs to the biggest orgy of flashbacks since the last Resnais films.

But unlike "Muriel" and "Muriel Returns", *Je t'aime Je t'aime* is crisply edited and shot in brilliant Dufy colours (except for the short scenes in a Glasgow interior got up like a pruned Sickert picture of ennui). Some of the saddest scenes take place in bright sunlight; there are no sequences in the present sense of the word; nothing lasts longer than a minute or two; some scenes last only seconds.

After the first memory repeated over and over of a moment swimming underwater on the Riviera holiday precisely a year ago, Claude's past comes jerkily to life: intelligent, charming, reclusive, unpredictable, he hates order and system. In his office, where he measures out his life in coffee spoons, pencils, and erasers, he looks at his watch, groans under the realization that it is three o'clock, that it will be three o'clock tomorrow and the day after and in a thousand years' time. For him, time stands still. He dials 1114 and holds a conversation with the mechanical voice. He fires a girl for slackness (striking, played by Olga Georges-Picot), throws in his own job, takes her for lunch, and begins to love her.

Both of them are hopelessly disoriented: she believes that God made the cat in his image, and that man was put there to collect a few things for the cat's convenience: milk, fish, cushions, baskets; the rest is superfluous. He has pictures of cosmologists on his walls and, behind his bed, behind his desk, in the office, reproductions of the Magritte night-time landscape in which the sky is in broad daylight. Or is it everywhere? Couldn't it just be fantasy, or the crossed lines of reality and fantasy like the moment when the white mouse from the time machine scuttles across the Riviera beach where he was on holiday with Catherine?

Catherine dies in the gas-filled room in Glasgow, and the film becomes entirely deplorable. A police inspector apologises to Claude for his lack of French but talks in French. Claude claims both that he killed Catherine to put her out of her misery and that he is incapable of killing. Claude's past works erasable towards the point at which he attempted suicide. Words and images recombine, sometimes in harmony, sometimes in dissonance. One of the scientists answers Claude's question about the chances of coming through the experiment by saying that if he was a mouse, the chances would be 100 per cent. Claude comes to in the time machine at one point and concludes that he must, therefore, be a mouse. With "Je t'aime Je t'aime", Resnais combines lucidity and chop logic; he deploys a brilliance of surface that can be as baffling as depth, and in the process has lost none of his poetry.

*Bed and Board* (Cameo-Poly) was called "Domicile Conjugal" in France, and is a domestic comedy in the vein of "Edouard et Caroline". After



Claude Rich and Olga Georges-Picot in "Je t'aime Je t'aime"

New films reviewed by Michael McNay

## Resnais' winged chariot

Hiroko Berghauer in "Bed and Board"



"L'Enfant Sauvage" it comes as a disappointment. It is not that the film is negligible or unfunny; just that this story of how the married bliss of Antoine (Jean-Pierre L aud) and Christine (Claude Jade) is destroyed when he falls for a beautiful Japanese (Hiroko Berghauer) seems lightweight for Truffaut's talents. The touch is still there, though the souff   sags in the middle, and maybe it is only the comparison with the balefully brilliant *Diary of a Mad Housewife* (Plaza, Regent Street) that makes it seem so slight.

If baleful seems a curious word to apply to comedy, it is nonetheless true. Frank Perry, who directs, and Eleanor Perry, who wrote the screenplay from Sue Kaufman's novel, allow nothing to encumber their disenchanted view of middleclass America. And Carrie Snodgrass is terrific as the only genuine person (the irritating jargon is catching) in the movie: she has a voice that sounds as though it has been strained through buttercloth, a tenderness of manner and appearance

that makes the verbal shock troops of the two Perrys doubly effective: there's a wonderful strip during which the only sound is the swish of Dacron on nylon as her lover (Frank Langella) undresses her, a few moments of love when the screen swims with flesh colour, then Langella says: "Baby, you are a terrific piece of ass."

She has been driven to taking a lover by the behaviour of Jonathan, her husband (Richard Benjamin), whose every boneyed phrase is wrapped round a razorblade, every loving smile drips poison. His home is part of the rat race of his legal career and as far as he is concerned his wife falls short in every respect. She meets her lover at a smart private view for Allen Jones, and moves from one fraud to another, a writer who can't bear "crap", but is just as hooked on middle class mores. The movie pursues its view of marriage to the bitter end: when Jonathan breaks down under the stress of multiple failure in his life and confesses that he has been having an affair, his wife chooses not to tell him of her

affair because she knows that it will only destroy the new role he has chosen for her, the tender helpmate. But there is no hope for a better future: she romantically recalls the first time she saw him, making a speech at a Democratic convention for Kennedy. Ah yes, that was my New Frontier speech, he says. The fashion has changed, but the rot was there at the start.

After "One Plus One" (alias "Sympathy for the Devil"), Jean-Luc Godard went to the United States to make *One PM* (one Parallel Movie), and showed at last completed, rechristened *One PM* (One Parallel Movie), and showing from Sunday at the Electric Cinema, Portobello Road. Every time a new Godard film comes along it looks like his final statement: the furthest he can go before, like Duchamp, he abandons art and takes up chess. "One Plus One" had the Brechtian device of showing the cameramen and sound recordists wandering among the actors. "One PM" goes further: there are no actors as such, in spite of the presence of Rip Torn: activists rather. There is no script. And Godard himself appears directing the film, rehearsing camera movements, sorting out tangles with members of the public who stray on to the location, at one point all but being arrested by the police when Jefferson Airplane cause what looks like a major jam in the heart of New York by singing and playing on top of an office block.

Godard has always incorporated accidents into his films: now he simply sets up situations and films whatever happens, however tangential. He claims that if his movies have any merit at all now it is because they do not consist of the usual unengaging scenes. Yet in spite of the over-exposed passages, the poor colour in long sections, the out-of-focus closeups, the mangled sound, he cannot help catching moments of intense beauty. New York at dusk from building level, the tip of Godard's cigarette suddenly glowing as he registers an idea, children caught watching the filming and shyly disappearing into a doorway.

The content of the film is revolutionary socialism, expressed unequivocally by Eldridge Cleaver, drawing ominous parallels between the Algerians under the French and the Blacks under white economic domination in the US. He is asked why the Black Panthers do not have their own film makers. "We don't have the kind of people who want to do their shooting with cameras," he says.

Godard has gone beyond the point where he can expect any popular or much critical interest, but he is still the major artist working in the medium, he still has ideas which will be given a gloss by other directors. The approach to filming is like Warhol's (whom Godard is said to admire), stripping away the artefact to the point where other people involved in his projects become confused: one of his monologists complains that he cannot feel and look natural with the film crew constantly moving about. "This is the reverse of natural," Godard says. "Art is not natural."

Big Jake (Carlton, Haymarket) starts in trendy sepi   and mauve, jumping on the Butch Cassidy horseless carriage with a crumbly hopelessness reminding you that in 1909 there was, apart from John Wayne totting his gun, Pavlova dancing in New York. Einstein relatively speaking, and Taft as President. What follows is a mildly entertaining story of kidnap and ransom failed by Big John, who says he would rather die than let his wife be shot. Directed, mainly for addicts, by George Sherman.

Escape from the Planet of the Apes (Odeon, Leicester Square) is the third in the sequence and up to scratch, to coin a phrase. It is efficiently directed by Don Taylor and sanely scripted by Paul Dehn. The escapees are the two humane apes of the previous film (Roddy McDowall and Kim Hunter), they reach earth in a spacecraft, and there it is the humans who make apes of themselves.

KEITH DEWHURST

## Television is now a stagnating industry in which there are more people than work... In another ten years, will it be a serious medium, or just a sort of middlebrow moving wallpaper for people who have to stay at home?

BERNARD SHAW ONCE wrote that the trouble with critics is that they are bored with the theatre; and whereas I would not say I am bored, I am definitely a bit punch drunk, and so I am giving up writing this newspaper I hope, some time in the autumn.

Since television was the subject on which I first had the opportunity to write regularly for this newspaper I hope you will forgive the self-indulgence of writing about it here in the last episode, so to speak, of the present series.

I have been in mild trouble on both the last two occasions on which I wrote about the box. In a piece about the Prospero-Bernstein I introduced the entirely apocryphal travelling cat (which quite clearly ought to exist even if it doesn't) and for an article comparing the techniques of film and television, I was telephoned and gently chided by a very good freelance editor by the name of John Ford. An interesting difference between Hollywood and subsequent television is that television produced many different genres and that each one of them sustained outstanding work of serious art.

Television genres cover a wider field (they include quizzes, chat shows, and panel games for example) and tend to be slighter and more trivial. The dramatic forms most popular with the public are situation comedy shows whose survival value it is probably too early to judge, and long-running serials none of which, except possibly passages of "Coronation Street" have much value at all. The great paradox and problem with television drama is that its quality throughout depends upon aspects of which the public are largely unaware. If the Royal Shakespeare Company went out of business every body would know, but if "Softly, Softly" was taken off the air and there was in consequence no bread and butter genre series which allowed the writer to be as serious as he would be at the Royal Shakespeare Company, who would notice?

People of my friend's generation were able to learn their business in a very interesting way. The first script I

wrote for television, for example, was an episode of a pulp thriller serial and later I wrote episodes for other series of varied seriousness. Because I had written these, the company bought a play. It was reasonably disastrous, but I sold another and better one somewhere else, and as a result of all this wrote for "Z Cars". The point is that many writers followed a similar course but that in today's conditions it would be almost impossible for anyone to do so. This is due mainly to the fact that in the late fifties and early sixties television was a growth industry and one derived full benefit from the fact.

Television is now a stagnating industry in which there are more people than work, and in the past four years or so it has produced very few new writers and directors. Television is now a stratified industry in which the ladder of serials to big plays scarcely exists. The division of the BBC Drama Department into series, serials and plays, each with different structures and even different office locations may have seemed administratively inevitable at the time that Sidney Newman did it but artistically it has been a disaster. There is very little communication between the people upon whose communication the health of the thing depends. There is little possibility of a sensible and gradual bringing on of talent, and it is no accident that the best new young director, Michael Apt  d, learned his business in a smaller and more flexible ITV company.

In their response to the cost inflation that erased the hopes of the sixties the television bureaucracies have failed because they have sacrificed the small grain of artistic seriousness, the possibility of scope, comparable to theatre or anywhere else that kept the formula open and healthy. Yet in a sense this is too easy an answer, it is too easy to say that middle-brow standards have been taken over because in a time of cost crisis that is the easiest course to follow. The real problem of our television is that the crucial art-destroying decision was taken by the most liberal bureaucrats in the best possible interests of all.

I refer of course to the BBC decision not to screen Peter Watkins' "The War Game"—not to screen it on television even at midnight, but to release it to the cinema. What betrayal that was, what a denial of their own supposed fame in the public judgment and the possibility of a democratic medium. And yet again what an ironic example of the principles on which their triumphs were based, for Keith believed not in giving people what they want but what the governing body might construe to be good for them.

The awareness at the centre of my director-friend's rather baffled sadness is real. Only that things are more complicated than aspiration wishes to believe. The decision to ban "The War Game" was a small but genuine cultural turning point. It asked whether television in particular, and bureaucratically run mass-media in general can in the long term present serious original creative work. We are fooling ourselves if we do not admit that a large number of people in the newest young show-business generation do not believe that it can.

Young actors like the money of TV but they know full well that most of the work is humdrum and much of the young writing and directing talent is struggling hard not to go into TV at all. When they do it is more the documentary side that interests them and the prospect of working on film. With the growth of subsidised and fringe theatre, and the multiplication of TV channels, the flow into TV 10 and 15 years ago. Is also a vital question: in another 10 years will TV be a serious medium or just a sort of middle-brow moving wallpaper for people, who, for whatever reason, have to stay at home? If American experience is anything to go by it will become exactly that. On the other hand our system was devised to ensure that radio and TV should not be just commercial pleasantries. The question to be decided between now and the government review is how, in the interim, we can make our own system work properly.

## review



Kyung Wha Chung: Festival Hall

BERLIN

Richard Roud

## Festival prizes

NOT UNEXPECTEDLY, the grand prize for the twenty first Berlin Film Festival went to De Sica's *Garden of the Finzi Continents*, which Pasolini had to be content with Silver Bear for his superior "Decameron". The prize for the best actor went to Jean Gabin for his role in "Le Chat" while the best actress award was split between Simone Signoret (also Le Chat) and Shirley MacLaine for her role in "Desperate Characters".

A streaming cold kept me out of the cinema on the last day of the festival, so I missed Frank Gilroy's "Desperate Characters", which also won a prize for best script and dialogue, on the same day the Norwegian film "Love is War" directed and shot by Ragnar Lasse, picked up the prize for best photography.

But I did see "The Cat" and I must say that I was sure it would walk away with at least one of the acting awards: when you put Simone Signoret and Gabin together you are bound to get fireworks, with each trying to upstage the other, directed by Pierre Granier-Deferre. It is based on a Simenon novel about an old couple who are bound together by a hatred which, as Strindberg has demonstrated, can often be stronger than love. And when in a fit of jealousy she actually kills his beloved cat, open war is declared which ends only with their death.

Both Signoret and Gabin are indeed splendid, although it is something of a shock to see what she looks like now. But great acting cannot exist in a vacuum, and the direction is so flat and the dialogue so predictable that the film is nothing but a vehicle and a rather slow-moving one at that.

The film I had been looking forward to the most of all, Andre Delvaux's "Rendezvous in Bray", turned out to be something of a disappointment, more like Delvaux's disastrous second film than his remarkable first one. "The Man with the Shaven Head", partly it was the fault of the principal actor, Mathieu Carriere, the young German with a French name who made such a splash in "Young Toerless". Here, he plays Julien, a young pianist from Luxembourg who gets caught up in France by the First World War. His best friend, a Frenchman in the air force, sends him a telegram suggesting they meet in a small town outside Paris. But when he gets there, his friend is nowhere to be seen. Instead, a young woman (Anna Karina) asks him to wait. And during his long wait we get flashback after flashback about Julien's life. Gradually, a picture builds up of a puritanical young man, probably still a virgin, who is characterised by his refusal to get involved with anything or anybody.

Eventually the young woman, without ever revealing her identity, gets him into her bed. The next morning, our hero goes back to Paris, presumably an older and wiser man. But we are meant to understand that all this has been laid on by his generous friend in an attempt to bring him out, to involve him: an initiation in fact.

Although something of a mood piece, a film like this depends on its actors to achieve the intensity necessary for the suspension of disbelief and for the proper acceptance of a certain degree of romantic mystery. But Carriere is just not good enough—he doesn't really give us any feeling of what the character is like, nor does he have a strong enough personality to hold the film together. He seems content for the most part to display alternately his right and left profile, both of which are as handsome as they are inexpressive. It is perhaps significant that his liveliest moments are when he is allowed to speak in his native German. Maybe he has so much trouble getting his mouth round French words that he has no energy left for anything else.

Finally, Delvaux has really stacked the cards against himself, for he has included in the film all sequences from Feuilleade's "Fantomas", in which the surrealist view of reality that Delvaux tries so hard to achieve is effortlessly created. Feuilleade's starting point was a pulp adventure novel; Delvaux's was a story by the French surrealist writer Julien Gracq. There's probably a lesson there. As Andrew Sarris once pointed out, the novels of W. B. Yeats ("The Asphalt Jungle", "Scarface" and a dozen others) have made better films than those of Dostoevsky.

CHELTEMHAM

Gerald Larner

## New music

THE NEW MUSIC at the Cheltenham Festival on Tuesday was a nice piece by the young Scottish composer, Martin Dalby. It was commissioned by the Festival and written specifically for

the virtuosos strings of the Academy of St Martin-in-the-Fields, who duly gave its first performance under the direction of Neville Marriner.

Nice though the "Concerto Martin Pescatore" is, however, it is just a minute or two too long. The title, roughly translated, means "Kingfisher Concerto" and is not, I think, intended to suggest Martin Dalby's delight in fishing. Something like the high-pitched call of the bird is heard now and again, apparently in quotations from Messiaen and Ravel; and perhaps the predominantly rapid and quiet movement of the Concerto was inspired by the kingfisher's sight, or perhaps not.

Certainly, on a musical level, there are long passages of rapidly articulated whistling—not necessarily with the bow or on the strings, but sometimes with the fingers on the wood of the instruments—stiffened by double-stopped chords and interspersed with sustained notes and playful glissandi. There are one or two hints of melody and there are a few good bars of rich harmony for the two violas and cellos not far from the end. But these mainly restful textures do not sustain interest for very long; after all, the secret of the kingfisher's aesthetic success is the brevity of its appearances.

This concert was also notable as the first of the Festival's three in which Alfred Brendel will be playing six Mozart concertos. Appropriately, he began with the first of Mozart's mature piano concertos, the one in E flat, K. 271, and offered a characteristically controversial view of it. The slow movement was extraordinarily dramatic, tragic to the point of agony, with the most intense utterance skillfully reserved for the cadenza. The first movement, on the other hand, was just too cute, and the last—apart from the delightfully played minuet section—would have been hard pressed even without the several accelerations.

## FESTIVAL HALL

Edward Greenfield

## Kyung Wha Chung

IT IS A SURE SIGN of greatness when an artist can single-handedly turn a musical saw's ear into a silk purse. That, no less, is what Kyung Wha Chung did for us, when with the London Symphony Orchestra at the Festival Hall she played the Scottish Fantasy of Max Bruch. Even when I heard Heifetz play this strange piece in the same hall some years ago, it sounded dreary and uninspired, with Germanic skirling and synthetic snapping, adding a not-very-convincing Scottish flavour.

It was Kyung Wha Chung's achievement that through all four movements she found a magic spring, if not of genuine highland water, at least of water of a very refreshing quality. The tender reticence with which she eased her way into the first ethereal melody at once commanded attention, and from then on it would have been very sour listener who failed to be convinced. The Annie Laurie snaps of the lyrical third movement were made to sound authentic, and the skirling of the two vigorous virtuosos movements, the second and fourth, had not only brilliance but, thanks to Chung, a sparkle, even a touch of wit. As for the momentary return of the motto theme just before the end, it had a heart-warming nobility which made one long to hear this magic violinist with her voluptuous tone in the Elgar concerto.

## ROYAL COURT

Philip Hope-Wallace

## Duras play

UNDER THE TITLE OF "The Lovers of Vienne" Barbara Bray has translated that enigmatic, subtle, tantalising play by Marguerite Duras, a beautiful play about a sordid and sad event, and provides a kind of some fascination, though despite the beautiful playing, it seemed in English somehow less a play for acting than it had seemed in the magisterial and riveting performance given us by Madeleine Renaud, with the special kind of simian glitter and exaltation, I am not happy about the English title. For who were the lovers? The cop from Cahors? The dim Portuguese Alfonso? Would not "The Pot of Basil" have been better?

I suggest that the double meaning of the French title "L'Amant Anglaise" which can seem to mean either English Mint Bush, or Female English Lover according to how you fancy it by ear, provides a clue of a kind in a useless play; which is the other slightly distasteful thing about the drama. There is no motive for real explanation. We are in the terrain of the real, the no man's land of the near mad, and I always notice that sympathy and interest are apt to ebb when the audience begins to realise that they are not in fact going to be told what really happened. Yet "Hiroshima mon Amour" remains unforgettable and I haven't been able to exorcise Mme Renaud ever since.

France was startled when in railway marshalling yards far flung and widely separated, bits and pieces of a female corpse began to turn up. Reported and collected by the Surete, the ghastly relics were computerised and it was found that the open freight trucks which contained them—finger here, a foot there—must all at one time or another have passed under a particular bridge over a railway cutting. The police drove up, knocked at the first house, asked if anyone had disappeared recently and were once told by Mme Claire Lannes that she had murdered and cut up her deaf mute cousin.

Maurice Denham was very good in a dry sullen sad way. So was Gordon Jackson as the interrogator who then has an hour long session trying to make Mme Lannes give some sort of reason and disclose the whereabouts of the missing head. Here Peggy Ashcroft produced her tour de force of missed still, biting a lip, looking up in a hurt way, asking would she be shut up in a cell or a lunatic asylum? Again it is all by inference, innuendo, what in a film would no doubt be a subliminal, listening in the stifling heat, pretty certain that in Jonathan Hale's pretentious detail has been missed and yet feeling faintly that the poetry of the unsolved enigma, ugly and beautiful at the same time, is quite powerful enough to earn its time.

Some of these notices appeared in later editions yesterday.

John iolito







## Britain and Europe: the choice that governs our future

Europe, yes. Britain ought to join the European Communities. The terms negotiated by the Government, although not ideal, are adequate. They are, broadly speaking, as good as Labour could have hoped to achieve. They hold out for Britain the expectation of greater prosperity and greater security. But the White Paper, published yesterday, is a disappointing document. It is politically timid, economically complacent, and vague on some vital points. It fails to recognise the need for political union to reinforce and give vigour to the economic union. It turns a blind eye to the real economic difficulties with which Britain will start. It admits only tacitly that a number of key issues remain to be settled only after British entry.

The case for joining nevertheless stands. As a leading member of an expanding and outward-looking Europe, Britain will have better prospects than by staying on her own. As the White Paper argues, the advantages more than outweigh the costs—and they include advantages for Europe and the world, as well as for Britain. The decision, admittedly, is not simple. Ardent pro-marketisers ought not to be scornful of the case on the other side. But the opportunity is one that Britain ought to seize. Even if the Europe presented in the White Paper seems at times conservative and unprogressive, it can still be the basis of a strong and prosperous community.

### The political will

Twenty-five years ago Arnold Toynbee said that Western Europe could never unite except under a dictatorship. "In Western Europe, especially, the traditions of national individuality are so strong that the closest practicable European Union would be too loosely knit to be more than a pawn in the power game." It could never, he said, be a match for the Soviet Union or the United States even if it sacrificed cherished liberties, which it ought not to do.

Backing for this thesis, however unwelcome, will be found in the White Paper's concept of Europe. The idea of a dynamic political union does not appear. Instead, the Government paints a cautious picture designed not to frighten wavering Conservative backbenchers. None of Britain's sovereignty is to be given up, none of our veto rights will be relinquished, nothing in our way of life will change. Monarchy, the law, driving on the left of the road—and, one might add, the Football League, the Royal and Ancient Golf Club, and the Orange Order—are all left intact. The only reference to future growth is in the most tentative form. "If," the White Paper says, "the development of European policies in non-economic fields calls for new institutions, then as a member Britain will play a full and equal part in devising whatever additions to the institutional framework are required." If.

### Among the giants

Yet there should be no "if" about it. Contrast this timidity even with the Prime Minister's words when he returned from his highly successful meeting with President Pompidou in May. They had reached agreement, he said, about the sort of Europe that both wanted to see. "It is a Europe which, by its unity, will be of a size and nature and in an equal position with the United States, Japan, or the Soviet Union, to enter into trading arrangements and international financial arrangements and to use its influence in the world." But how can it stand equal and use its influence while it is no more than a loose association of sovereign states, led by nothing more effective than a Council of Ministers who are hardly ever able to agree? The European Community's record of decision-taking so far had been disastrously bad. The Governments of the Six know it. They look to British entry and to the enlargement of the Community as one means of giving their political mechanism a new lease of life. Yet Mr Heath, on the evidence of the White Paper, seems intent on proving Professor Toynbee right. A loose-knit Europe will be not more than a pawn in the power game.

Consider too, the decisions which Western Europe faces. Even in terms of the Community's own internal problems—without going on to the bigger conflicts of international relations—the next stages of development demand initiative and leadership. The Werner Plan for a monetary union has been deferred, after the disasters of the Deutschmark crisis, but it will have to be revived. It requires within three years the harmonisation of national tax policies and the abolition of tax frontiers. It requires within nine or ten years central decisions that will override national budgets. A common currency, common tax policies, and common economic guidelines call for swift, skilled, and decisive management. In the industrial and agricultural fields, no less, the Community will need central decisions that are

as complex. It cannot be run by a Council of Ministers who perpetually treat each other with suspicion and hostility. Perhaps, in truth, M. Schumann or Herr Scheel are no more difficult inside the Council of Ministers than Mrs Thatcher or Sir Alec inside the British Cabinet. But at least the British Cabinet meets more often and knows how to reconcile its differences without a bloody midnight battle every time.

Nobody should be frightened of the development of European political institutions. Probably Mr Heath, in private, is neither frightened nor Gaullist. He is preoccupied by the reaction of his party, and he wants to win the right decision from Parliament. His statement in May—taking a cue from President Pompidou's in January—acknowledged that progress must come through a gradual harmonisation of policies and that national interests could not be overruled. It is true that we must not be in too much of a hurry. The reality may be that Europe has to learn by the unheroic and hard method of its own frustration and mistakes.

But just as invasion and occupation in two world wars generated the climate among the Six in which they were ready to surrender some of their sovereignty, in the interests of peace and prosperity, so the insular British too must be ready for change. It may be a gradual change, and it need have no adverse effect on national character or national ways of life. The Dutch are no less Dutch and the French no less French because they are in the Common Market, though each has taken on European attributes. The fatal thing will be to refuse Europe its essential political character.

### Economic equations

The economic clash is more familiar. The Government's case stands on the straightforward projection of economic opportunity—a bigger tariff-free market for industrial goods, the ability to compete with the American and Japanese giants, the expectation of faster economic growth and higher individual earnings, and the stimulus that will come from entering Europe. Yesterday's White Paper is notably more optimistic than the previous White Paper of February, 1970. Its optimism is at some points carried to complacency, though it admits that British industrialists and businessmen will have to work hard to exploit the opportunity.

The anti-market argument has old and new elements. The old part (the Jay-Shore view) is concerned above all with the effects on the balance of payments—higher food costs and their damage to export prices, the unfair burden of levy payments, the loss of Commonwealth preference and therefore of good Commonwealth markets, and the double disadvantage against new Continental competition in former EFTA countries. The new element (the Wilson-Callaghan line, loosely speaking) is the charge that the Conservatives have so mismanaged the economy that Britain is too weak to stand the shock of going in, together with Mr Callaghan's plea for five years of "flat out" economic growth as an alternative. In addition, at the back of much of the fuss over coal and steel, there is Labour's rather late realisation that the Common Market has been devised as a competitive economy—more capitalist than Socialist, and with restrictions on governmental intervention.

Britain's robustness and ability to profit by entry are crucial. Unless our industry is strong enough to exploit entry from the start, joining Europe could hurt Britain badly. The Callaghan-Wilson thesis would be more convincing, however, if Labour had not so recently been in office. For reasons that seemed good at the time, Mr Callaghan stopped the Maudling boom; Mr Wilson made him apply the brakes even harder in 1968, and devalued in 1967. The upshot was a greatly improved balance of payments, but at the cost of serious inflation and a deplorably low rate of growth—which was the situation inherited a year ago by the Conservatives. Mr Heath's Administration has sharpened the competitive atmosphere, with Rolls-Royce and Upper Clyde Shipbuilders heading a distinguished casualty list, but is moving only gingerly towards growth. Now, in effect, we are promised that the tempo will accelerate before entry in 1973. It will have to, if Mr Heath's Government is not to be discredited.

### The hopeful road

Many of the assumptions in the White Paper are unproved and unprovable. If the increase in food costs is no more than 2½p in £1 each year, then it will be barely perceptible at the prevailing erosive rate of inflation. If manufacturers are confident of their new home market, five times as large as at present, investment ought soon to pick up. If the experience of the Six is a guide, growth will soon be stimulated and real earnings will rise faster than before. The effective rate of inflation may be brought down and savings will not lose their value so quickly. All this is what one may hope; and it is legitimate to believe that joining is a much better bet than staying out.

The White Paper is too gloomy about the alternative if we say "No," for the Community itself will then lose the stimulus of enlargement. But while there is no secure way to prosperity, the European road looks more hopeful than any other.

That every historic choice implies challenge as well as opportunity is a cliché, but true. To take advantage of the Common Market means accepting risks. To refuse these risks, on the ground that Britain is unfit to face them, is defeatist. British industry can call on skilled manpower, sound management, and technical ingenuity. British agriculture, too, is among the world's best. Given a determined Government policy to promote growth during the approach to Europe and the transitional years, we can profit from entry and enjoy prosperity. Given also a determination by all the ten Governments to provide democratic political union—without which the Community will be a headless monster—Western Europe can begin to stand equal with the United States, the Soviet Union, and China. And that, in the end, must make for a more stable and peaceful world.



Happier days in East Pakistan: Awami League supporters after their election victory

THE Pakistani Government has, since March 25, built up an elaborate scenario justifying military action in East Bengal and presenting this action as comparatively restrained. The scenario was basically intended for home consumption in West Pakistan, where it has been swallowed whole by most people. But it was also intended for the Western public, and it is a cause of great bitterness to West Pakistanis that this "case" has received not even a perfunctory examination outside Pakistan, except in other Muslim countries.

The scenario has been adjusted several times, most recently, and significantly, to put a degree of blame for what happened on Mr Bhutto. Options on Sheikh Mujibur Rahman are kept open by a certain wavering between presenting him as a dead-in-the-wool secessionist from the start, or portraying him as a weak man pushed into secession by Awami League extremists.

Certain parts of the scenario—which has been learned pat by most army officers and civil servants in East Pakistan—are easily rejected. One of these is the claim that the Awami League, besides running a parallel government in East Pakistan from at least the beginning of March, also allowed and encouraged the terrorism of non-Bengalis in the weeks before March 25. All the evidence is against this.

But the scenario does touch reality in its claim that the intransigence and unwillingness to compromise of the League leadership was a basic cause of the civil war. It makes the most of the Sheikh's several refusals to go to West Pakistan and of his complete failure to realise the need for some concessions to the West Pakistan military establishment over the key issues of the financing of the armed forces and confrontation with India.

The truth of this part of the case was summed up by one pro-Bengali Western diplomat who finished a briefing on the situation by saying in anguished tones: "Why the hell couldn't Mujib have taken two bites at the cherry?" It is a valid question whether you consider that the Sheikh's hope was simply for independence or near independence, or whether you believe that he was ready to try to take the whole of Pakistan in a new direction.

Certainly the Awami League has been convicted by events of ineptitude on an almost heroic scale. In the euphoria of their smashing election victory they seem to have quite simply for-

## Taking the heat off in Pakistan

MARTIN WOOLLACOTT, one of the first reporters to move freely around East Pakistan since March's military take-over, moved back to Britain yesterday. Here he puts the civil war in perspective, assessing claim and counter-claim of Bangla Desh nationalists and the Pakistan Army.

gotten the realities of power in Pakistan. Either they should have trimmed their demands to make them acceptable to the army, to Bhutto and to the Pakistani upper class, or they should have made serious preparations to fight. They did neither, and on the night of the 25th, League aides were happily distributing an idealistic and complicated document on future economic arrangements.

Turning to the military action itself, the Pakistani claim that the troops throughout behaved with exemplary restraint is clearly nonsense. However, although no final arithmetic on the killing in East Bengal is, of course, possible, it can be taken as obvious that in every category there has been great exaggeration.

Take the tales on both sides about military units killing their officers. It now emerges that at least some battalions of the East Bengal regiments did not do so, instead carrying off their West Pakistani officers to India when they retreated. As to Bengali officers with West Pakistani units, they seem to have been largely unharmed. One colonel I met trotted out all three of his battalion's Bengali officers to prove his point. They didn't look very happy, but on the other hand they weren't dead.

As to combat losses proper, one reasonably good source gives West Pakistani dead as about 800, including about 40 officers. Because of their poorer firepower and organisation, Bengali units presumably suffered worse than this. But, for combat casualties, a figure in the low thousands is probably right.

The killing of Biharis by Bengalis seem to have taken place mainly in four towns—Chittagong, Barisal, Khulna and Mymensingh. From other areas there are eye-witness accounts of the killing of Biharis in ones and twos, but it is only from those four towns that one gets accounts claiming deaths in the thousands. The Biharis themselves have made claims up to

half a million and a million. Those without an axe to grind settle on a figure well below 20,000.

As regards army killing of unarmed Bengalis, here a distinction has to be made between those killed by indiscriminate firepower in conventional army descents on villages and towns, whether Hindu or Moslem, those arrested and executed, and those who died as a result of deliberate atrocities.

In the first stages of the war, the army would blast any village or section of a town from which it received even light fire, or which was situated near a damaged installation. From the start, it is obvious they had a preference for Hindu targets. Once the situation in any area was under control, units would continue to make descents on any community which, from their ludicrously inadequate "intelligence," they believed was harbouring "miscreants." Again, the mentality of most army officers is such that Hindu communities were automatically suspect.

It is probable that most Bengalis who died were killed in these viciously heavy-handed responses to real or imagined opposition. The point here, in explanation, not in defence, is that unlike some Western armies, the Pakistani Army cannot be "pre-set" to use only limited force. Further, the line between individual and communal guilt is one they find difficult to perceive in practice.

Both atrocities and executions undoubtedly took place, particularly in the early stages of the war in areas where the army was in control from the start, and then later in those border regions which were the last to be taken by the army. In intermediate areas units were moving too fast to have the time for such activities.

Putting a figure on these kinds of killings is extraordinarily difficult. But it is some kind of guide that in one large town which I visited, the verified deaths, presumed dead,

totalled about 20, and killings which could best be described as atrocities—rape, then murder, shootings in the street and the like—were fewer than ten.

The most conservative estimates of Bengali dead are around the 50,000 mark. This would require virtually every soldier in the Pakistani Army in East Bengal to have killed at least one Bengali during the war, either in combat or in "pacification." This is inherently improbable, partly because the army used only infantry weapons throughout, and partly because in most situations there were escape routes for the population coming under fire.

The typical eye-witness story is of an army attack which ended with five, six, or seven dead in a village, or somewhat larger numbers in urban areas. The largest death toll in one attack that I heard from a reliable source was 50, and this in a town. On this sort of evidence, the figure for Bengali civilian dead should probably be adjusted down to around 30,000.

The Pakistan Army High Command has made a number of attempts to curb the ferocity of units. According to some good sources, General Abdul Hamid, the Chief of Staff, made a point of asking units to lay-off on both his recent visits to the province. This has had some results. It has got to be understood, too, that the standard by which West Pakistani officers measure "pacification" is not that of some terribly disciplined British internal security operation. The standard is that of Vietnam and American journalists, in particular, have found themselves in tight moral corners when arguing with Pakistani officers.

This much has got to be conceded to the Pakistanis: that the Sheikh and the League bear considerable responsibility for the war, and that the military action itself, while horrible and bloody, no doubt killed far fewer than the propagandists of the other side claimed.

But what those who urge this case on the West fail to understand is that it has become largely irrelevant to the situation in East Pakistan now. Comparatively cool Western observers may be ready to do some fresh arithmetic on the number of dead, and to blame the Awami League for its short-sightedness and its naïveté. Bengalis are not.

They know only that the Bengali people seemed about to begin a new and hopeful life when the army of West Pakistan moved in to kill, burn, and repress.

## Matter of conscience

### TO THE EDITOR

Sir,—As a member of the Union of Women Teachers who did not support recent teacher strike action, I deplore the use of the term "funker" reported in the Guardian as being used by Terence Casey, N.A.S. general secretary, with reference to members who did not support the strike. While having participated in strike action on previous occasions and while sympathising with union dissatisfaction which produced the recent strike action, I feel that the strike weapon is devalued unless it is reserved as a last resort.

In refusing to strike I followed in all sincerity the dictates of my conscience. I respect the differing opinions of my colleagues, and would like to pay a brief tribute to N.A.S. colleagues with whom I work who in their turn respected my decision in a professional fashion.

I wouldn't submit my dictates of conscience as a "good excuse" for Mr Casey or his union's consideration. I rather regard dictates of conscience as a sound reason to be automatically accepted by a professional body in a democratic country historically and traditionally dedicated to safeguarding the rights and freedoms of the minority.

### This tax on credibility

Sir,—The controversy over Selective Employment Tax has perhaps now reached the sublime. When first imposed by the Labour Government, SET produced a loud chorus of shopkeepers' groans, and apologies for the price-rises which they would very reluctantly be forced to institute. Now that the Tories have done their allies a good turn by cutting SET by half, the same shopkeepers—or their representatives—claim that the reduction will work out at a mere few pounds per shop of a chain of grocers, and consequently, they will now be

reluctantly forced to keep prices as they are. The most they hope they can give us is that prices might be pegged for a few weeks.

If the poor shopkeepers find such little benefit in the reduction of SET—though many of them no doubt brought the Tories back to effect just such a measure—then why on earth take some £300 millions out of the Government's pocket, to be partly replaced by charging children for their school milk and the sick for the social services? Yours sincerely,

M. J. Cohen.

Wembley.

## GARDEN FARM

One alternative to crowded cities and wide open spaces in the country, is lower density urban development. Bigger gardens for everybody—and the chance to grow your own food or own your own park. Today's New Society suggests some radical ideas for spreading ourselves out and making better use of the countryside.

Also this week: cholera, the social disease; why have a steel industry?; how GPs' group practices work out; David Marquand on the Common Market; Paul Overy on art schools; Jane Alexander on transvestites.

read something new

NEW Society

Today from 10p to 11p on 125 Long Acre London W22 9QJ

**SAMUELS**  
*Suits*  
HALE  
Personal Shopping  
in  
complete confidence

101-110p



# White Paper

## in full-1

**The decision now  
before us**

he European Communities have their origin in the fundamental ideas which have taken place in the evolution of the countries of Western Europe in little more than a generation.

In 1945 the main continental powers of Europe emerged from the nadir of two world wars, in which millions of lives had been lost and enormous material damage done, with economies strained and distorted to a breaking point. It was not just that they had been weakened by war. They were in process of shedding

3. The communiqué issued after The Hague Conference of the Six in 1969 called for the completion, the deepening and the enlargement of the communities. This would help them to grow to dimensions more in conformity with the present state of world economy and technology." In the communiqué the members expressed their common conviction that a Europe composed of states free in their relations with the rest of the world, united in their essential interests, assured of internal cohesion, true to its friendly relations with outside countries, conscious of the rôle it has to play in promoting the relaxation of international tension and the rapprochement among all peoples, and the foremost among the nations of the entire European continent, is indispensable if the mainspring of development, progress and culture, world equilibrium and peace is to be preserved."

9. In 1961 the Conservative Government decided to apply for negotiations to determine whether satisfactory arrangements could be made to meet the needs of the United Kingdom, of the Commonwealth and of EFTA. The statement to the Six introducing this application said that this decision was

3. As on the previous occasions, two fellow members of EFTA, Norway and Denmark, and the Irish Republic, applied to join the Communities at the same time as we did. Negotiations for their entry are also well advanced. Discussions have also been started between the Community and the other members of EFTA who for either political or economic reasons feel unable to seek full membership of the

...towards economic and monetary union. No firm timetable has yet been agreed for this in the longer term; the immediate steps agreed so far will not involve radical difficulties for us. If we were not to join, this would not stop the Community of Six moving forward in both the economic and political fields. Thus the options open to future British Governments would be limited without their having any say in the matter.

9. We shall have full opportunity to make our views heard and our influence felt in the councils of the Community. The Community is no federation

35. Because of the weakness of Europe after two World Wars the defence of Europe, including the United Kingdom, has greatly depended since 1945, as it did not before, upon the strongest member of the North Atlantic Alliance. The United States of America have played and are playing a great and generous rôle: but it is a burdensome one, and they feel it is now time for Europe to play a larger part in maintaining her own security. It is for that

*Continued overleaf*



vital reason—the strengthening of the Western Alliance—that successive Administrations in the United States have consistently supported the development of unity among the Western European democracies, including the United Kingdom, in a more self-reliant community of nations, even though they have recognised that such a development will from time to time give rise to differences of view and interest in particular fields of policy.

36. There is no alternative grouping of countries with similar circumstances and interests which could offer us the same opportunities to safeguard our national security and prosperity. A North Atlantic Free Trade Area has been suggested from time to time; but the United States with its great business corporations would be so dominant a partner in any such area that we as members would find our economy increasingly tied to theirs and our political choices therefore increasingly determined by theirs as well. Nor has such a grouping interested successive United States Administrations who have made it clear that they would prefer to see us as members of a stronger and more united Europe than as a satellite of the United States. Similarly, the Six have firmly and repeatedly made clear that they reject the concept that European unity should be limited to the formation of a free trade area.

37. Nor does the Commonwealth by itself offer us, or indeed wish to offer us, alternative and comparable opportunities to membership of the European Community. The member countries of the Commonwealth are widely scattered in different regions of the world and differ widely in their political ideas and economic development. With the attainment of independence, their political and economic relations with the United Kingdom in particular have greatly changed and are still changing. They have developed and are still developing with other countries trade and investment arrangements which accord with the requirements of their basic geographical and economic circumstances. The United Kingdom's share of the trade of the Commonwealth has declined sharply since the 1950s. In absolute terms United Kingdom exports to the Commonwealth have grown only slowly, whilst our exports to the EEC have expanded much more rapidly, and in 1970 exceeded our exports to the whole of the Commonwealth. For many Commonwealth countries, too, the European Communities increasingly appear as a more attractive trading partner than the United Kingdom. It is significant that the East African Commonwealth countries have now given the Community trade preferences over us.

38. But this in no way implies that in joining the Communities we should become increasingly inward-looking and trade and invest only with the member countries. It is the declared objective of the Six that the formation and enlargement of the Community should lead to increasing overseas trade and investment, and their experience bears this out. When the changes agreed in the Kennedy Round of international trade negotiations are fully implemented the average level of the external tariff of the EEC on industrial goods will be about 8½ per cent, and that of the United Kingdom about 10 per cent. The Community already accounts for 30 per cent of world trade, and its members' trade with the outside world has increased more than 25 times in the twelve years since its formation—so fast as the increase in world trade as a whole. In agricultural trade the Community remains a very large market for third countries' foodstuffs: they import three times as much as we do. The Six are large investors in other countries, both developed and developing, and the enlargement of the Community should enable all their members to achieve a rapid increase in trade and investment overseas as well as in Europe.

39. Similarly the aid given to the poorer nations by our European neighbours is proportionately greater than ours, and the Community has been the first of the major aid donors to introduce a generalised preference scheme which will provide for duty-free access for a wide range of goods from the developing countries. To provide new markets and aid for the less prosperous countries on a scale anything like adequate to their needs, Europe must be united strong and wealthy. In the United Kingdom, trade particularly of the countries of the Commonwealth, who have much to gain from close association with a wider European Community of nations, just as other European countries think of the lands with which they have particular ties of history and of culture, and which are already associated with the Community. The divisions of Europe in the present and past centuries played an undoubted part in building up the tensions and troubles of the developing world. Europe unified by a stronger Community can play a constructive and sympathetic part in relieving them.

## The economic case

40. The central question here is how membership of the Community would affect the structure of our economy and so the prosperity of our people. For many years we have faced familiar problems: difficulties with the balance of payments, a disappointing record in industrial investment, and an inadequate rate of economic growth. The result is that we have begun to drop seriously behind other countries, and particularly the members of the Community, in attaining a higher standard of living.

41. The Government believe that membership would provide the most favourable opportunity for achieving the progress which we all desire. Studies made by the Confederation of British Industry show that this belief is shared by a substantial majority of British industry. Our entry would not, of course, of itself bring about some automatic improvement in our performance and it would involve us in costs as well as benefits. The following paragraphs discuss the costs and advantages of membership in more detail.

42. All member countries contribute to a common budget for certain specific purposes, such as agricultural support, the European Social Fund, and administrative costs (see Annex A). We shall be required to pay a contribution to the Community budget which—after allowing for our estimated receipts from the budget—will involve a net cost to our balance of payments of some £100 millions in the first year. The cost in later years will depend primarily on whether it becomes possible gradually to reduce the predominant share of the budget which agricultural expenditure at present takes up. If the structure of the budget were to remain unchanged the net balance of payments cost would

rise to some £200 millions in the fifth year. Thereafter our contribution would be limited for two further years (see paragraph 95 below).

43. Gradual adoption of the common agricultural policy will stimulate British farm output and open Community markets to our food exports, but at the same time will raise food prices in the United Kingdom and the cost of our food imports. The extent of this increase in food prices and import costs will naturally depend on the difference between Community and world food prices. This difference has narrowed significantly in the last two or three years. But assuming a continuation of the present price gap and allowing for likely changes in patterns of United Kingdom production and consumption, the additional cost to our balance of payments in the form of food imports seems unlikely to amount to more than about £5 million in the first year, and £50 million a year by the end of the transitional period. On the same assumption about world and Community prices it is estimated that the rise in average retail food prices during the transitional period resulting from our adoption of the common agricultural policy will amount to about 2½ pence in the £ each year. As a result, the cost of living will increase by about half a new penny in the £ each year, but at the same time tariff reductions will lead to lower prices for manufacturers which will go some way to offset this increase. The influence on wage movements of the increase in the cost of living is not expected to have any significant effect on the costs of industry nor, therefore, on our balance of trade. In addition, we should be asked to subscribe £37.5 million in sterling to the paid-up capital of the European Investment Bank: it is expected that the greater part of this sum will remain in the United Kingdom (see paragraph 136). We should also subscribe £24 million to the reserve fund of the ECSC. This would be primarily if not wholly spent in this country (see paragraph 160).

44. The effects of membership on British industry will stem principally from the creation of an enlarged European market by the removal of tariffs between the United Kingdom and the Community countries, and, less importantly, from other tariff changes. The response of British industry will broadly be of two different kinds. First, there will be the immediate reaction of a British exporter to each annual reduction in the tariff on his exports to the Community. This response will involve a decision whether, for example, to maintain his prices and so increase his profit margins, or reduce his prices and expand his sales. But secondly, and in the long run far more significant than this response to relatively small annual changes in tariffs, will be industry's decisions on how to take advantage by structural changes of the opportunities opened up by the creation at the end of the transitional period of a permanent, assured, and greatly enlarged market. Manufacturers will be operating in a "domestic market" perhaps five times as large as at present, in which tariff barriers cannot be put up against them however well they do. There will in consequence be a radical change in planning, investment, production and sales effort.

British exporters will benefit from preferential access to those markets associated, or having special trade arrangements, with the Community. On the other hand they will share with Community exporters their present preferential position in other EFTA countries and in the Irish Republic; and must expect a faster erosion of existing Commonwealth preferences, which have, however, been steadily eroded over recent years and which would probably continue to diminish in future even if we remained outside the Community.

45. Any calculation of the effects on the balance of trade of these tariff changes will only produce a valid estimate if it takes account of the parallel existence of both these influences operating on industry. And a simple summation of estimates of industry's immediate responses to the small annual tariff changes involved would reflect only the false assumption that no other changes were taking place. The Government do not believe that the overall response of British industry to membership can be quantified in terms of its effect on the balance of trade; they are confident that this effect will be positive and substantial, as it has been for the Community.

46. Growth and prosperity in any country, including of course each of the six Community countries, depend first and foremost upon the size and effective use of its resources of manpower, plant, equipment and managerial skill. It is essential to deploy these resources to the maximum benefit, and this requires the pursuit of appropriate economic policies. This requirement would be mandatory upon the United Kingdom in any event. However, the general economic and commercial environment within which a country operates is also a vital element in its success in creating wealth and promoting welfare. The environment can be unfavourable to growth. It is generally agreed that for advanced industrial countries the most favourable environment is one where markets are large, and are free from barriers to trade. These conditions favour specialisation, the exploitation of economies of scale, the developing and marketing of new products, and a high level of investment in the most modern and up-to-date equipment. Though increased competition does foster the more efficient use of resources over a wide area of industry and help to check the trend to monopoly positions on the part of large-scale organisations.

47. In particular, the development and exploitation of modern industrial technology, upon which so much of our employment and income increasingly depends, requires greater resources for research and development and wider markets than any one Western European nation can provide. The different national systems of corporate law and taxation in Western Europe make it difficult for European firms to combine and co-operate effectively to meet competition from the great firms whose resources are based on the much larger home markets of the United States and more recently, of Japan. In recent years Western European markets for jet aircraft and aero engines, for computers and advanced electronic equipment, for nuclear fuel and power, for motor vehicles and for many other products have been increasingly dominated or penetrated

by the much larger international corporations based outside Europe. Together, the Western European nations can organise themselves to compete with these giants, but only within the bounds of increasing their share of European industrial markets.

48. If we enter the Communities we shall be able to profit from the general advantages of a larger market and, in particular, to play a full part in the development of industries based on advanced technology. If we do not join, we shall forgo these opportunities which the members of the Communities will increasingly enjoy. Their industries will have a home market of some 190 million people, with preferential markets in other European and overseas countries. Our industries would have a home market of some 55 million people, with perhaps another 45 million in EFTA, as against the home market of some 290 million people we should have if we joined the Communities.

## Experience of the Six

49. The economic growth of the Six countries had already been considerable in the 1950s, as they recovered from the disruptions of war and occupation. The formation of the European Economic Community then created an environment within which they have made further and striking progress over the past decade. In considering the likely effect upon our economy of membership of an enlarged Community we must first examine the evidence of that decade.

50. The members of the Community created a common market in industrial goods by steadily eliminating the tariffs on imports from one another over the years 1959-68. The abolition of tariffs provided a strong and growing stimulus to the mutual trade of Community countries. It is estimated that by 1969 the value of this "intra-trade" in manufactured products was about 50 per cent higher than it would have been had the Community not been formed; moreover it appears that the stimulus to intra-trade is continuing. The abolition of tariffs and this consequent increase in intra-trade were accompanied by important changes in the performance of manufacturing industries in the Six countries. Those industries which had previously faced an intensification of competitive pressure as tariffs fell, obliging them to seek ways of raising efficiency and reducing costs. By the same token, prospects for exporting dramatically improved. Import competition and export expansion were closely associated with the growth of the Community. The outcome of these processes was a significant improvement in the rate of growth of manufacturing productivity, and, therefore, higher national incomes in the Community than the member countries believe they would have enjoyed otherwise. Moreover, the increase in productivity was accompanied by a low level of unemployment, even though large numbers of farm workers left the land for industry.

51. The rate of growth of manufacturing output per head in the five major Community countries had already been at a generally high level over the 1950s and early 1960s, faster than in nearly all other comparable industrial economies. In the latter half of the 1960s, however, this growth rate showed further marked improvement (with the one exception of Italy, where the very high rate achieved in the earlier period was not quite maintained).

52. The rapid growth in manufacturing productivity in the Six was a key factor in their impressive economic record in the past decade. But other indicators also show clearly the extent of the advances made by comparison with the United Kingdom. For example, in 1968 average earnings in Britain were similar to those in France, Germany, Belgium and the Netherlands and well over half as high again as those in Italy. By 1969 average earnings in Italy had caught up with British earnings, and in the other Community countries, earnings were now between a quarter and a half higher on average than those in Britain. In real terms (i.e., after allowing for price inflation), average British earnings had increased by less than 40 per cent between 1958 and 1969, while the Community countries average real earnings had gone up over 75 per cent. Similarly, all the Community countries enjoyed rates of growth of gross national product (GNP) per head of population, or of private consumption per head, roughly twice as great as Britain's.

53. Moreover, at the same time a high proportion of the Community's output continued to be channelled into investment, so providing the basis for further rapid growth. In the period 1959-69 the Six devoted 24 per cent of their GNP to investment, whereas the figure for Britain was 17 per cent.

54. Finally, the Community as a whole have maintained a strong balance of payments position, earning a surplus on current account of more than \$25,000 million over the period 1958 to 1969, by comparison the United Kingdom had a small cumulative deficit on current account over these years.

## Prospects for our economy

55. This, then, has been the experience of the Community. It is the conviction of the Governments of the industries, and of the trade unions in the Six countries that their economic progress has been promoted in large measure by the changes brought about by the creation of the Community. The economic structure of the United Kingdom is in many respects similar to that of the member countries of the Community. We, like them, are a highly industrialised society, without large indigenous resources of raw materials, and thus heavily dependent upon foreign trade. Like the three larger members of the Community—which in size of population are closely comparable to ourselves—we have a widely diversified industrial structure, which has great potential for development in a larger market.

56. In the light of the experience of the Six themselves, and their conviction that the creation of the Community materially contributed to their growth, and of the essential similarity of our economies, the Government are confident that membership of the enlarged Community will lead to much improved growth and productivity in British industry. It is our belief that this will be a faster growth of real wages. The studies, mentioned earlier, made by the Confederation of British Industry shows that this belief is shared by a substantial majority of

British industry, whose own interests are at stake, and who are in the best position to judge. A more efficient United Kingdom industry will be more competitive not only within the enlarged Community but also in world markets generally.

57. These improvements in efficiency and competitive power should enable the United Kingdom to meet the balance of payments costs of entry over the next decade as they gradually build up. The improvement in efficiency will also result in a higher rate of growth of the economy. This will make it possible to provide for a more rapid improvement in our national standard of living as well as to pay for the costs of entry. For example, if a rate of growth of national income a 1 per cent higher were to be achieved as a result of membership, by the end of a period of five years our national income would be some £1,100 million higher in the fifth year.

## Conclusion

58. Her Majesty's Government have now carefully considered the outcome of the negotiations and the arrangements which have been agreed to resolve the problems identified both by the present Government and their predecessors. Like their predecessors, the present Government have also sought to ensure that changes in trading patterns, especially those concerning the Commonwealth, will be gradual, and will give time and opportunity for those concerned to make any adjustments which might prove necessary. They believe these aims have been achieved.

59. The costs of joining the Community—set out in this White Paper—are the price we should have to pay for the economic and political advantages. These advantages will more than outweigh the costs, provided we seize the opportunities of the far wider home market and grow in the Community. We shall obtain, as the Six have done since the Communities were founded, a substantial increase in our trade, a stimulus to growth and investment, and a greater rise in real wages and standards of living than we have known in recent years or would be possible if we remained outside the Communities. Beyond these economic considerations are the broad political perspectives. In an enlarged Community we could better serve our own interests and those of our traditional friends and allies. Together with the other members of the enlarged community we could do more to help the poorer countries of the world more generally than if we were working on our own. And together the members of the enlarged Community would be able to help each other.

61. The enlargement of the Community would create a framework for more harmonious relationships in Western Europe. The relationships between Europe and the other countries of the world, particularly the United States, the Soviet Union and, of course, China, would become more evenly balanced. A Europe united would have the means of recovering the position in the world which Europe divided has lost.

62. The choice for Britain is clear. Either we choose to enter the Community and join in building a strong Europe on the foundations which the Six have laid; or we choose to stand aside from this great enterprise and seek to maintain our interests from the narrow and narrowing base we have known in recent years. As a full member of the Community we would have more opportunity and strength to influence events than we could possibly have on our own; Europe with the United Kingdom in her councils would be stronger and more influential than Europe without us.

63. A decision not to join, when at last we have the power to do so, would be a rejection of an historic opportunity and a reversal of the whole direction of British policy under successive Governments during the last decade. No one can predict the consequences of such a reversal. They would touch all aspects of our national life, and affect our future as much as, if not more than, acceptance of the opportunities now offered to us.

64. In a single generation we should have renounced an industrial past and rejected our European future. Our friends everywhere would be dismayed. They would rightly be as uncertain as ourselves about our future rôle and place in the world. Meanwhile the present Communities would continue to grow in strength and unity without our help, and to influence the Communities would steadily diminish, while the Communities' power to affect our future would be steadily increased.

65. Her Majesty's Government believe that the terms which have been negotiated are fair and reasonable, and provide this country with an opportunity which can never recur. They will accordingly invite Parliament to approve a decision in principle that the United Kingdom should take up full membership of the Communities on this basis. They believe that such a decision would be in the best interests of the peace, security and prosperity, not only of the British people, but of the peoples of Western Europe and of the world as a whole.

66. Every historic choice involves challenge as well as opportunity. Her Majesty's Government are convinced that the right challenge is to accept the challenge, seize the opportunity and join the European Communities.

## PART TWO

### The outcome of the negotiations

67. Negotiations with the Communities opened on 30 June, 1970. Twelve months since then and apart from fisheries, all the crucial issues have now been dealt with. The following paragraphs set out the agreements arrived at and also the stage reached on the small number of matters which remain to be settled.

68. More work remains to be done, however, including detailed elaboration of some agreements already reached in

principle and the drafting of the Treaty of Accession. In addition, we shall be continuing to examine closely with the Communities their detailed views and proposals in order to determine what adaptations may be necessary to meet the circumstances of this country and of the enlarged Community. A number of adaptations have been agreed to suit our needs and in certain cases appropriate transitional provisions or delays to the entry into force of Community rules have been decided upon. It now seems most improbable that any significant problems remain to be identified. English texts of all the instruments by which we should be agreed, including the agreed adaptations, would be made available to Parliament when any legislation was introduced to give effect to the obligations that we should be assuming on accession to the Com-

## Participation and voting in the Communities' institutions

69. No problems arose over Britain's participation in the institutions of the Communities. It has been agreed that from the start the United Kingdom should have a position in the institutions equal to that enjoyed by France, Germany and Italy.

70. The Council of Ministers is the body which takes all the major decisions about Community policy. In the Council the appropriate British Minister will be present together with representatives of the nine other member states. As has been made clear in paragraph 30 above, where member states' vital interests are at stake, it is Community practice to proceed only by unanimity. Most Council decisions are taken on the basis of a proposal by the Commission. It is already provided in the Treaty that certain Council decisions have to be taken by unanimous vote. In those cases where qualified majority with weighting of votes is provided for in the Treaty, the votes of the members of the Council would have the following weighting:

Germany	10
Italy	10
Belgium	5
Luxembourg	2
Ireland	3
France	10
United Kingdom	10
Netherlands	5
Denmark	3
Norway	3
	61

In these cases, where the Council decision follows a proposal by the Commission, the decisions of the Council are to be effective only if at least 43 votes are cast in its favour. In some cases the Treaty provides that voting shall take place by qualified majority without the Commission having made a proposal. In these cases decisions are approved only if 43 votes are cast in favour by at least 6 members. In those cases in which a simple majority is provided for, a majority will, of course, be 6 out of the 10 States.

71. The European Commission is the body responsible for executing the decisions of the Council, for putting forward proposals which take into account the interests of the Community as a whole and for the safeguarding these interests. In an enlarged Community, the European Commission would be composed of 14 members, two members each from Germany, France, Italy and the United Kingdom, and one from each of the other states. The members of the Commission are nominated by the member Governments. There would be an appropriate British contribution to the staff of the Commission. This staff is, in effect, the civil service of the Community.

72. The European Parliament's present rôle is largely consultative, though it has certain powers of control over the Commission. In the European Parliament the number of members will be as follows:

Germany	36
Italy	36
Belgium	14
Luxembourg	6
Ireland	10
France	36
United Kingdom	36
Netherlands	14
Denmark	10
Norway	10

Members of the European Parliament which meets at Strasbourg are nominated by the respective national Parliaments.

73. The Economic and Social Committee is also a consultative body, consisting of representatives from employers, trade unions, professions, farmers, etc. Membership of the Economic and Social Committee will be as follows:

Germany	24
Italy	24
Belgium	12
Luxembourg	6
Ireland	9
France	24
United Kingdom	24
Netherlands	12
Denmark	9
Norway	9

74. Provisions have been agreed for equal representation of France, Germany, Italy and the United Kingdom in the organs of the European Investment Bank.

75. On enlargement, English would be an official language, together with the present official languages—French, German, Italian and Dutch.

76. The arrangements outlined above will ensure that the United Kingdom will be able from entry to play a full part in the management and future development of the Community. It has been agreed that in the period between the signature of the Treaty of Accession and its entry into force joint procedures will be established to ensure that decisions taken by the institutions of the Community take due account of the interests of the United Kingdom as a prospective member of the Community, and that to this end consultations will take place before such decisions are taken. This will ensure that the British Government will be able to influence Community decisions during this period. The procedure will then apply to decisions to be taken in this period by the United Kingdom which would affect the obligations we shall have undertaken as a prospective member.

## Transitional arrangements for industry and agriculture

77. At the outset we made it clear that we accepted the common external tariff (CET). Subject to special arrangements for the twelve industrial materials dealt with in paragraphs 14 and 141 below. We also accepted that the common agricultural policy would apply throughout the enlarged Community, subject to the arrangements for New Zealand and for sugar, and to clarification on a number of issues. However, we required adequate transitional arrangements. Our objective in seeking these was twofold. On industrial tariffs we wished to secure as quickly as possible the advantage for British industry of integration within a single European market, while providing an adequate period of adjustment for our Commonwealth and other trading partners. For agriculture we needed arrangements which would permit an orderly adjustment by our producers to the Community's system of support and pricing, avoid sharp increases in food prices and prevent abrupt dislocation of the exports of our Commonwealth and other third country suppliers.

78. These objectives have been achieved by the arrangement described in paragraphs 79-87 below.

## Industrial tariffs

79. There are two main processes involved here. First, all tariffs on imports between the United Kingdom and the Six have to be eliminated. This is to be done in five equal stages, starting three months after accession. Second, subject to the special tariff arrangements referred to in paragraphs 14 and 142 below, we have to apply the CET to all countries neither belonging to nor enjoying any special arrangements with the enlarged Community. For those countries affected which at present have no preferential position in our market, this will involve only fairly minor adjustments to the duties we apply to their goods; in general the CET is rather lower than our own tariff. However, for the countries affected which currently enjoy free entry to our market, it will mean the gradual application of the CET to their exports to this country. It has been agreed that our move to the CET should be carried out in four stages, starting a year after accession. The table below shows how these arrangements would work if we join the Community on 1 January 1973:

Abolition of tariffs between the United Kingdom and the Six (per cent)	Cumulative reduction (per cent)
April 1, 1973	20
January 1, 1975	40
January 1, 1976	60
July 1, 1977	100

Adoption of the CET by countries with which we have special arrangements (per cent)	Cumulative move towards adoption of CET (per cent)
April 1, 1973	40
January 1, 1975	60
January 1, 1976	80
July 1, 1977	100

\* The countries expected to have special arrangements with the enlarged Community include those members of the European Free Trade Association who do not become members of the Community; the independent Commonwealth countries in Africa, the Caribbean, the Indian Ocean and the Pacific; our dependent territories, except Gibraltar and Hong Kong (for which see paragraph 118 below); and the countries with which the existing Community has special arrangements, which include the countries associated under the Yaounde Convention, the dependent territories of the Six and the countries mentioned in paragraph 145 below. The enlarged Community will also be offering preferences to most developing countries under the United Nations Conference of Trade and Development Generalised Preference Scheme.

80. These arrangements have two substantial advantages for us. In the first place they will ensure that within three years of entry (when the Community's tariffs will have been cut by 8 per cent) our exporters will have virtually duty-free access to the large and rapidly growing market of the Six. The opportunities will be considerable. The CET is not on average high, but tariff averages can be misleading; in several sectors of importance to British industry the barriers we face are still substantial—22 per cent on commercial vehicles, up to 18 per cent on organic chemicals, 16-18 per cent on plastics, 15 per cent on tractors and 14 per cent on diesel engines. In the second place the delay of our move to the CET should usefully lengthen the period of adjustment for our Commonwealth partners.

## Agricultural transition

81. Under the common agricultural policy the level of market prices for the main agricultural commodities is maintained in two ways. The price of imports is kept up to a minimum of threshold price by means of variable import levies; and the intervention price is supported at an intervention price slightly below the threshold price, which any surpluses are bought by the Community's agricultural fund. These arrangements apply to cereals, milk, products, beef and veal, pigmeat, sugar and (except for support buying) to poultry and eggs, though they vary in detail for each commodity. The agricultural fund also compensates Community exporters when their sales to third countries are made at price below Community levels.

82. We shall adopt this Community system of support, though not Community prices in the first year of membership. We shall introduce a threshold and intervention prices of our own. These will be lower than the full Community threshold and intervention

Continued on next page



## White Paper-3

prices—the difference corresponding to the difference between our market price levels and those of the present members. We shall then increase our threshold and intervention prices gradually to full Community levels by six steps over the five years of the transitional period. These will be equal steps, subject to a 10 per cent tolerance up or down in the interests of flexibility. As market prices are increased, British farmers will increasingly get their returns from the market, and deficiency payments will be phased out.

53. There will be free trade with the six in the products concerned, subject only, throughout the transitional period, to arrangements to compensate for the difference in price levels. These will take the form of fixed levels on our exports to them and fixed compensatory payments on their exports to us. These levels and export payments will be gradually reduced by six steps over the five years, as prices come into line. There will be comparable arrangements for trade between the present member countries of the Community and the other applicant countries, and between the applicant countries.

54. The operation of the levy system will give producers in the enlarged Community preference over imports from other countries whenever market prices are below the threshold. British producers will share in this preference throughout the Community and will have the safeguard of the intervention prices to support their market.

55. For those agricultural commodities for which the Community has a common external tariff, instead of, or in addition to, levies, the transitional arrangements will take the form of tariff adjustments similar to those agreed for industry (paragraph 79). Our tariff will gradually be adjusted to the common external tariff and eliminated against other members of the enlarged Community. The precise arrangements remain to be worked out in detail. For horticulture, which depends on the tariff as its main form of protection, there will be a slower rate of tariff adjustment with no change at all in the first year of transition. For apples and pears, an existing import quota will be replaced by compensatory import levies offsetting the difference between British and Community prices. These levies will be phased out over five years so as to bring prices gradually into line with the same provision for flexibility as in the case of agricultural prices. The horticultural industry is subject to some climatic and structural disadvantages, but there are many sectors in which it is competitive and in all sectors there will be opportunities for efficient growers who adapt to the new situation. Assistance for new investment is already given under the horticulture improvement scheme and the Government have recently announced a high rate of grant for grubbing up old orchards to improve the market for commercial producers. These efficient growers face special problems of adjustment, but even the necessary help to meet them, the Government will consider with the industry how this can best be done.

It has further been agreed that the enlarged Community will be ready to take prompt and effective action to remedy any difficulties arising out of a transitional arrangements for agriculture and horticulture to common external tariff and Community trade with other third country suppliers.

The transitional arrangements provide a sound basis for a smooth and orderly transition for our farmers and growers under conditions of fair competition and stability. They also allow us for the adjustment of trading terms, with safeguards against dislocation. British farm output is on a long-term upward trend and it has been the policy of the Government to encourage this. The enlarged Community British farmers generally can expect better returns for their produce despite higher feed costs. There will be no better prospects for our exports of agricultural and food products in the markets of the enlarged Community at higher prices. Or efficient agricultural food industries are well placed to take advantage of these opportunities. As a result of our entry, home agricultural output is expected to expand more quickly. The Government expect additional expansion of 8 per cent overall on this account in 1977. With these prospects, the industry can plan ahead and invest with confidence.

It is estimated that membership will affect food prices gradually over a period of about six years with an increase of about 2½ per cent each year. The effect of entry on the retail prices of foodstuffs for out a quarter of total consumer expenditure the effect on the cost of living would be about 1 per cent each year. There is, of course, no harmonisation of retail prices in the Community. The effect of entry on the retail prices of foodstuffs here will depend on many factors, including the efficiency of our own system of processing and distribution, will vary from commodity to commodity. Some, such as butter, cheese and beef, are likely to rise by significantly more than the average; others, such as bread, flour and eggs, by about a average; and others, such as milk, h. oils and fats, tea and coffee should show little change in price. For some fruits and vegetables prices should be lower at certain times of the year. Moreover, the increase in food prices will be offset to some extent by lower prices for other consumer goods as a result of tariff reductions.

These estimates compare with an estimated increase of 18-28 per cent in food prices over the transitional period in the 1970 White Paper. Since the White Paper was published, however, the gap between United Kingdom and Community food prices has narrowed considerably, partly because food prices have been rising faster in the Community prices.

Britain and the European Communities: An Economic Assessment. (Cmd. 4288, February 1970).

Retirement pensioners and those dependent on other social benefits will be protected from the effects of the increase in food prices through adjustments in those benefits. These adjustments will not begin to be felt until the spring and summer of 1973, and, as indicated in paragraph 88, are likely to be small. The Government are committed at least to maintain the increasing power of national insurance pensions and related benefits through regular reviews every two years, in the next review the next review will take place in 1973. Supplementary benefits are kept under close review. The Government undertake that in these reviews, both in 1973 and subsequently, allowance will be made for the effect on prices of joining the EEC. National Insurance pensioners and beneficiaries, as well as those entitled to supplementary benefits will share in

the increased prosperity flowing from membership of the Community. Access to the Community will not alter in any way the National Health Service.

## Contribution to the Community Budget

91. From the outset the Government recognised, as did their predecessors, that it would not be possible to seek to make fundamental alterations in the system of providing funds for the Community. The existing members had finally agreed this system among themselves early in 1970 only after considerable difficulty and regarded it as an essential part of the process of "completing" the Community envisaged in The Hague Communiqué. (The system is described in Annex A.) The negotiations have therefore been directed to finding a method to enable us gradually to adapt to the Community system over a period of years, without placing an undue burden on our economy.

92. The solution which has been reached is as follows. A percentage of "key" has been set, broadly corresponding to our present share of the total gross national product (GNP) of the 10 countries likely to form the enlarged Community. This will represent the proportion of the budget which we should nominally be expected to pay in the first year of membership. This key will then increase marginally in each of the four subsequent years, under similar arrangements to those agreed by the six for themselves (see paragraph 5 of Annex A).

93. However, we shall pay only a proportion of our nominal contribution over these first five years. The proportion will increase in annual steps. The effect of these arrangements is shown in the table below. Column 2 sets out the nominal key which has been agreed. Column 3 shows the proportion of this nominal key which we shall in practice be required to pay. Column 4 gives our resulting share of the Community budget in each year. Column 5 sets out the possible size of our gross contributions on the assumption that the budget amounts to £1,400 millions in 1973 and rises to £1,600 millions by 1977. Column 6 shows the estimated build-up of our receipts from the budget, and the resulting estimates of our net payments are shown in the final Column.

Year	(2) United Kingdom key (percentage of GNP of Community budget)	(3) Percentage of key to be paid	(4) United Kingdom contribution (percentage of GNP of Community budget)	(5) Possible United Kingdom gross contribution (£m.)	(6) Possible United Kingdom net contribution (£m.)
1973	16.19	45.0	7.29	100	100
1974	16.28	50.0	8.14	105	105
1975	16.37	55.0	9.01	110	110
1976	16.46	60.0	9.88	115	115
1977	16.55	65.0	10.75	120	120

It will be seen that we should be required to pay 8.64 per cent of the budget of the enlarged Community in the first year, rising to 18.92 per cent in the fifth year—the latter being broadly comparable to our proportion of the gross national product of the enlarged Community.

94. After the first five years there will be a further period of two years during which the size of our contribution will continue to be limited as follows. The Commission will calculate what our contribution to the budget would have been in 1977 if we had been required in that year to apply the direct entry system in full (see Annex A, paragraphs 3 and 4).

In 1978 our contribution will not increase above that for 1977 by more than two-fifths of any difference between the Commission's calculation and our actual contribution in 1977. In 1979 the increase in our contribution over 1978 will be limited similarly.

95. In 1980 and subsequent years we shall be required to contribute 90 per cent of our agricultural levy and customs duty receipts and such value added tax (VAT) not exceeding the yield of a 1 per cent VAT as necessary from each member country to close any gap between Community expenditure and Community revenues from levies and duties. It is not possible to make any valid estimate of the size of our levy and duty receipts in the 1980s. The outcome depends on a large number of unpredictable factors. For example, earlier estimates of our levy receipts in the mid-1970s have already been invalidated by the recent substantial narrowing in the gap between world and Community food prices. Nor is it possible to make any reliable forecast of the future size and pattern of our trade and so of the sources of imports, on which any estimate of our VAT receipts must depend. Finally, it is impossible to foresee the likely size of our VAT contribution. The size of this contribution (if any) would be a function of the size of the Community budget and of aggregate receipts of levies and duties from all member countries. The gap between these two amounts would have to widen very considerably indeed if member countries were to be required to contribute the full 1 per cent of VAT. This gap is only likely to widen in this way if the enlarged Community were to spend much more on non-agricultural activities, such as industrial and regional development, in which case the United Kingdom could expect to enjoy much larger receipts.

96. Thus, in the Government's view, neither our contribution to, nor our receipts from, the Community budget in the 1980s are susceptible of valid estimation at this stage. And it is for this reason that the Community declared to us during the course of the negotiations that if unacceptable situations should arise "the very survival of the Community would demand that the institutions find equitable solutions."

## The Commonwealth

97. As has been made clear, the interests of Commonwealth countries have been a major concern of Her Majesty's Government throughout the negotiations.

98. Provision has been made to safeguard New Zealand exports of dairy products by arrangements acceptable to the New Zealand Government. Both the British Government and the New Zealand Government consider that the position which will obtain on entry into the Community in respect of trade in New Zealand lamb is satisfactory.

99. For all British dependent territories with the exception of Hong Kong and Gibraltar (see paragraph 118) and for independent Commonwealth developing countries with the exception of those in Asia, arrangements have been made which provide the opportunities of Association—or, in the case of the independent developing countries, the alternative of a trade agreement—with the enlarged Community, thereby permitting these countries access on favourable terms to the markets of the enlarged Community. Sugar producing countries in the developing Commonwealth have the assurance that within the framework of an association agreement or a trading arrangement it will be the Community's prime purpose to safeguard their interests.

100. Independent Asian Commonwealth countries will not only benefit from the generalised preference scheme of the enlarged Community, but also from the Community's continuing objective to expand and reinforce existing trade relations and that the Community will be ready to examine trade problems which might arise in future with a view to finding appropriate solutions.

101. For the more highly industrialised members of the Commonwealth—Australia and Canada—it has been recognised since 1967 that special arrangements of the kind negotiated for New Zealand and developed for Commonwealth countries would be inappropriate. The Common External Tariff will be applied to their industrial exports into the United Kingdom gradually over the transitional period, and their exports of agricultural produce to the United Kingdom will also be affected by the arrangements made with the Community. But they stand to benefit from the agreements on tariffs on certain industrial materials (see Annex B); and it has been agreed that the Community will take speedy and effective action to deal with any abrupt dislocation of trade in agricultural products.

## New Zealand dairy products and lamb

102. Butter accounts for about 11 per cent of New Zealand's total export earnings, and cheese for about 4 per cent. About 85 per cent of her export earnings from butter and cheese come from exports to the United Kingdom. Our aim has been to secure satisfactory arrangements for continuing access for New Zealand to the markets of the enlarged Community. This was particularly desirable for butter, but because butter is much the more important to the New Zealand dairy industry and because New Zealand butter will be in direct competition with supplies from the Community, the latter are not major producers of cheddar cheese.

103. It has been agreed that there will be special arrangements to guarantee New Zealand a market for agreed quantities of dairy products. For butter, the guaranteed quantity for the first five years will be reduced by 4 per cent per annum so that in the fifth year of the transitional period New Zealand will be able to sell at least 80 per cent of her present entitlement in the United Kingdom. For cheese, the quantities guaranteed will gradually be reduced through steps of 80, 80, 80, and 40 per cent in the first four years of the transitional period, by the fifth year. This means that in terms of milk equivalent New Zealand can be assured of selling at least 71 per cent of the present quantity in 1977. Moreover, New Zealand will under these arrangements enjoy a guaranteed price for her sales at the average of prices on our market during the four years 1969-72. We estimate that this will result in prices to New Zealand substantially higher than the average of recent years, when New Zealand has not had a guaranteed price in our market.

104. During this first five-year period, it will be up to the Council of the Community, of which we would of course be a member, to make adjustments as between guaranteed quantities of butter and of cheese, provided that the tonnage expressed as milk equivalent corresponds to the total quantities approved for the two products for the year in question.

105. The effect of these arrangements for New Zealand will still be guaranteed in six years' time minimum sales of 136,000 tons of butter and 15,000 tons of cheese (and considerably more meanwhile). These are minimum guarantees, and depending on market requirements New Zealand may have the prospect of selling more under the normal Community arrangements, especially in the case of cheese. Since we estimate that the price which New Zealand will receive will be substantially above the average of recent years, this will give her the prospect over the five years of total export earnings in our market at or above the level of those which she has enjoyed in recent years.

106. During the third year after our accession, the institutions of the Community will review the butter situation, taking account of the supply and demand position and trends in the major producing and consumer countries of the world, particularly in the Community and New Zealand. They will decide in the light of this review on suitable measures for ensuring beyond 1977 the continuation of special arrangements for New Zealand butter. There will be no guarantee for cheese after 1977, but substantial sales are expected to continue as New Zealand cheese does not compete directly with Community production.

107. Among the considerations of which account will be taken during this review will be the progress made towards an effective world agreement on milk products and the question of New Zealand's progress towards diversification of its economy and its exports. The Community have undertaken to make every effort to promote the conclusion of an international agreement on dairy products, and to pursue a trade policy which will not frustrate New Zealand's efforts to diversify. This should help New Zealand to increase her earnings in other markets.

108. These agreements have been accepted by the New Zealand Government as adequately safeguarding her interests and as a major concession by the Community. Although they have some reservation about the basis for determining the guaranteed price (because they naturally wanted the best possible price), they have expressed their confidence that the basis of this settlement New Zealand can meet the challenge of British membership of the Communities and

have described the agreement as highly satisfactory.

109. The arrangements described above represent a satisfactory settlement of the problems raised for New Zealand's butter and cheese exports. The Government have recognised that New Zealand also depends heavily on the British market for her exports of lamb. These three products play a vital role in the economic and social well-being of New Zealand.

110. There is no common organisation of the market in the Community for sheepmeat and each member state at present sets its own conditions for entry from third countries. There is however one common element. This is the CEE tariff of 20 per cent and we have agreed to adjust to this tariff over the transitional period. Both we and New Zealand consider that an acceptable volume of trade in New Zealand lamb will continue to flow over such a tariff. Forward estimates of production and consumption indicate that the United Kingdom in the enlarged Community will remain a substantial importer of New Zealand lamb. Both the United Kingdom and New Zealand are closely concerned with arrangements for sheepmeat following British entry, as the United Kingdom will be by far the major consumer of sheepmeat in an enlarged Community. The Government have therefore been able to express to the New Zealand Government their confidence that there will continue to be adequate and remunerative access for lamb from traditional sources of supply.

## Sugar

111. Our aim has been to obtain a firm assurance of a secure and continuing market in the enlarged Community on fair terms for the sugar exports of the developing countries which are members of the Commonwealth Sugar Agreement (CSA).

112. The Government's contractual obligations to buy agreed quantities of sugar under the CSA from all participating countries, including Australia, until the end of 1974 will be fulfilled and domestic beet sugar production will accordingly continue to be limited until then. Thereafter it has been agreed that the arrangements for sugar imports from developing Commonwealth sugar producers should be made within the framework of an association agreement or trading agreement with the enlarged Community. (The arrangements for India are dealt with in paragraph 119.) It has further been agreed that the enlarged Community will have as its firm purpose the safeguarding of the interests of the developing countries concerned whose economies depend to a considerable extent on the export of primary products and in particular of sugar. After consultations held in London on 2-3 June 1971, this solution was accepted as satisfactory by the countries concerned on the basis of the following statement which has been placed on record with the Community:

"The Governments represented (United Kingdom, Antigua, Barbados, Fiji, Guyana, India, Jamaica, Kenya, Mauritius, Swaziland, Trinidad and Tobago, Uganda, St. Kitts-Nevis-Anguilla and British Honduras) expressed their satisfaction at the Community's readiness to offer the Governments concerned a choice of forms of association or a trading agreement; and also at the readiness to recognise the United Kingdom's contractual commitments to all the CSA member countries up to the end of 1974.

They noted that, in negotiations with the enlarged Community on association or trading agreements, it would be open to the Governments concerned to act individually or collectively. They further noted that the negotiations were due to be concluded by 1975, and that pending conclusion their existing patterns of trade with the United Kingdom would be maintained.

There was a full discussion of the Community's offer to the sugar producers in 1974. The British Delegation assured other delegations that the Community's proposals constituted a specific and moral commitment by the enlarged Community, of which the United Kingdom would be a part. The Community's offer was supported by all the participating Governments. The Community's offer was a firm assurance of a secure and continuing market in the enlarged Community on fair terms for the quantities of sugar covered by the Commonwealth Sugar Agreement in respect of all its existing developing member countries. The developing Commonwealth countries will continue to plan their future on this basis.

In addition, representatives of the Governments concerned stressed the importance of a continuing and viable international Sugar Agreement to all sugar-producing countries.

## Trade relations with developing members of the Commonwealth and dependent territories

113. We made it clear in the negotiations that we needed to ensure that trade relations between these countries and the enlarged Community should be safeguarded either by the establishment of association arrangements, comparable with those already existing with developing countries according to similar traditional relations with members of the present Community, or where this was not appropriate, by alternative solutions.

114. There are various ways in which developing countries are at present associated with the Community. Under the Yaoundé Convention, certain African States and the Malagasy Republic enjoy preferential or duty-free access to the markets of the Community, usually in return for preferences which they grant on exports from the Community in their markets. They receive development aid from the European Development Fund; and they participate in a Council of Association. The present Yaoundé Convention expires on January 31, 1975, and the negotiations for its renewal are due to begin in 1973.

115. Other association arrangements providing for mutual rights and obliga-

tions, particularly in matters of trade, are also possible. As an example, three Commonwealth African countries, Kenya, Tanzania, and Uganda, already have a form of association with the Community under the Arusha Convention which is similar to the Yaoundé Convention, except that the range of goods covered by the preferential arrangements is more limited, and there is no provision for development aid from the Community.

116. Dependent territories of the existing members of the Community are associated with the Community under Part IV of the Treaty of Rome. The benefits in trade and aid enjoyed by countries so associated are broadly the same as those provided under the Yaoundé Convention to independent States associated with the Community.

117. The independent Commonwealth countries in Africa, the Caribbean, the Indian Ocean, and the Pacific will be able to choose between three options: association under a renewed Yaoundé Convention (the renewed Convention will have to make provision for development aid both to the existing associates and to new associates); some other form of association of the kind exemplified by the Arusha Convention or a commercial agreement to facilitate and expand trade with the Community. The countries concerned are Barbados, Botswana, Fiji, Gambia, Guyana, Guyana, Jamaica, Kenya, Lesotho, Malawi, Mauritius, Nigeria, Sierra Leone, Swaziland, Tanzania, Trinidad and Tobago, Tonga, Uganda, Western Samoa, and Zambia. They will not need to make their choice immediately and it has been agreed that by January 31, 1975 (when the present Yaoundé Convention expires) the present trading arrangements between us and these countries can be maintained.

118. All British dependent territories (and the Anglo-French Condominium of the New Hebrides) will be offered association under Part IV of the Treaty of Rome, except for Gibraltar and Hong Kong. The territories concerned are Bahamas, Bermuda, British Antarctic Territory, British Honduras, British Indian Ocean Territory, British Solomon Islands Protectorate, British Virgin Islands, Brunei, Cayman Islands, Central and Southern Line Islands, Falkland Islands and Dependencies, Gilbert and Ellice Islands Colony,Montserrat, New Hebrides (with France), Pitcairn, St. Helena and Dependencies, Ascension, and Tristan da Cunha, Seychelles, Turks and Caicos Islands, and West Indian Associated States (Antigua, Dominica, Grenada, St. Lucia, St. Vincent, St. Kitts-Nevis-Anguilla).

Gibraltar will be covered by Article 227(4) of the Treaty of Rome, which enjoins that the Treaty provisions should apply to the European territories for whose external relations a member State is responsible. But, since Gibraltar is not a part of the United Kingdom's customs territory, it has been agreed, at Gibraltar's request, that she should not be included in the Community's customs territory. The Community agreed, as a result of the negotiations, to help Hong Kong by including her within the scope of their scheme of generalised preferences from the date of its implementation.

119. India, Pakistan, Ceylon, Malaysia, and Singapore. We and the Community have said that it will be our continuing objective to expand and reinforce existing trade relations with these countries. The Community will be ready, after enlargement to examine with them trade problems (including the question of Indian exports of sugar to the enlarged Community) which might arise, taking into account the scope of the Generalised Preference Scheme, from which they will derive considerable benefit. The continued suspension of the Community tariff on tea which has been secured in the negotiations is also of considerable importance to India and Ceylon.

120. Malta already has an association agreement which offers preferential trading arrangements but not aid. Cyprus is currently negotiating for a similar agreement.

## Australia

121. Our entry into the Communities will place at some risk only a small proportion—at most only 7½ per cent—of Australian export trade. In 1969-70 Britain took under 12 per cent of Australia's exports—a very different situation from the 1969-70 period when we were still buying more than 25 per cent. Products affected by the common agricultural policy, in particular, now represent a very low percentage of Australia's total exports—for example, dairy products sent to Britain in 1969-70 represented only 1.1 per cent of her total world exports sugar only 0.7 per cent and wheat only 1.2 per cent. Moreover, well over one-third of Australian exports to Britain are products which will enter duty free under the CEE tariff benefit from the duty quotas agreed during the negotiations. For example, there will be no duty on raw wool which accounts for nearly 10 per cent of our imports from Australia or copra, a major export (6.4 per cent of total exports). Lead bullion (106 per cent) will benefit from the special duty arrangements described in Annex B.

## Canada

122. In 1970 only 9 per cent of Canada's total exports came to the United Kingdom, compared with 17 per cent in 1960. About 30 per cent of Canada's exports to the United Kingdom in 1969 were products which will continue to enter duty-free. A further 10-15 per cent would benefit from the special duty arrangements described in Annex B—the most significant of these for Canada are those on newsprint, plywood, wood pulp, and phosphorus. The duty quotas secured for newsprint will extend to nearly all Canada's exports to the whole of the enlarged Community, and not merely those to the United Kingdom. Almost a further 8 per cent of Canada's exports to this country are likely, although facing levies under the common agricultural policy, to be affected only marginally, if at all, because they cannot be obtained within the enlarged Community these are the hard wheat necessary for the type of bread traditionally in demand in British households, and the special quality malting barley produced in Canada.

## The Channel Islands and the Isle of Man

123. The Channel Islands and the Isle of Man have for centuries enjoyed a special constitutional position in rela-

tion to the United Kingdom. They have their own legislatures, and they have their own fiscal systems and special customs arrangements.

124. Their inclusion in the Community would present constitutional, administrative and economic difficulties. Accordingly, after full consultation with them, we are seeking for the Islands arrangements short of full membership which would provide an exchange of reciprocal rights and obligations between the Community and the Islands. We have proposed a form of association under Article 238 of the Treaty of Rome which might be an appropriate way of dealing with the question.

## Financial and monetary issues Sterling

125. Following separate discussion with the member countries of the Community, the context of the negotiations, on 7 June, 1971 the Chancellor of the Duchy of Lancaster made the following statement to them:

"I put on record at our meeting in May a number of statements which have been made on behalf of Her Majesty's Government on these questions. I would now like to add the following statement. We are prepared to envisage an orderly and gradual rundown of official sterling balances after our accession.

"We shall be ready to discuss after our entry into the Communities what measures might be appropriate to achieve a progressive alignment of the external characteristics of and practices in relation to sterling with those of other currencies in the Community in the context of progress towards economic and monetary union. We are confident that official sterling balances can be handled in a way which will enable us to take our full part in that progress.

"In the meantime we shall manage our policies with a view to stabilising the official sterling balances in a way which would be consistent with these longer term objectives.

"I hope that the Community will regard this statement as disposing satisfactorily of the question of sterling and associated matters, leaving open the arrangements for the United Kingdom's compliance with the directives relating to capital movements under the Treaty of Rome to be settled in the course of the negotiations."

126. The Six replied that the Community had taken note of this statement with satisfaction, and proposed that it should be the subject of an exchange of letters to be annexed to the Treaty of Accession.

127. In amplification of this exchange, the Prime Minister made the following statement to the House of Commons on 10 June 1971:

"... sterling is not an issue in the negotiations but is a matter to be discussed in the context of the negotiations. So when it was raised by the Six earlier in the year we readily agreed to discuss it.

"At The Hague in December 1969 the Community declared its intention of moving towards economic and monetary union. That raises understandable and proper questions, put to us in good faith, about the adjustments that might be required for a currency in an enlarged Community which had an appreciable role as an international reserve currency.

"We have said three things to the Community. We have said that as members of the enlarged community we would play our full part in the progress towards economic and monetary union. That was confirmed in my talk with President Pompidou and in my statement to the House. We have said that we are prepared to discuss the enlarged and orderly rundown of official sterling balances after our accession. We have said that after accession we would discuss measures by which a progressive alignment of the external characteristics of sterling with those of other Community currencies might be achieved.

"Both of these developments would be viewed in the context of progress towards economic and monetary union. But let me make absolutely clear the three conditions which any takings as to how fast or by what means these developments could or should be brought about. These would be matters for discussion after our entry, when we should be a full member of the Community with all the rights of a member. As I emphasised at the press conference following my meeting with President Pompidou and in the statement to the House, both President Pompidou and myself agreed that no country's vital interests would be over-ruled by other members. We have made clear the three conditions which any proposal for reducing the official sterling balances would have to satisfy: notably, of course, the protection of the interests of balance holders and the avoidance of unacceptable burdens on our balance of payments.

"Progress towards economic and monetary union and the future of sterling in an enlarged Community do involve enormously complex problems. It has to be considered, for example, what alternative asset would be generally acceptable for sterling holders as a result of arrangements which would be needed for holders to acquire such an asset, and what form and maturity of corresponding liability might be undertaken by us. These are not matters to which the Community has clear and agreed answers. They would need a great deal of discussion, both within the enlarged Community and with others concerned. It would be impossible to settle these problems in the context of these negotiations. It is an advantage to us, not a weakness, that they are now left for discussion after our accession, when we should contribute as members of the enlarged Community to the processes of discussion and decision-making.

"Two things have happened in our discussions with the Six. ... First, the Six have become clearer about the size and complexity of the problem to be dealt with in this area.

Continued overleaf



Secondly, they have accepted that, if we become members of the Community, we shall be ready to discuss the whole subject in a fully Community spirit, without pre-conceptions or prejudices about how to deal with the problems. That is why we are not asked for and have not entered into any specific undertakings or commitments on methods or timetables, and that is why my right hon. and learned friend's (the Chancellor of the Duchy of Lancaster) statement of our position has been accepted as disposing of the whole question in the context of the negotiations.

128. In the Government's view, it will be to the advantage of the United Kingdom as well as of the others concerned if in due course arrangements, which meet the conditions stated, can be worked out for the official sterling balances. The prospect of doing this will be enhanced by our membership of the Community.

## Capital movements

129. The Treaty of Rome provides for the progressive abolition of restrictions on movements of capital between member countries, and the Directives made under it have applied this to most of the main categories, though some restrictions still continue.

130. At present the United Kingdom operates certain exchange control restrictions in respect of capital movements to all Non-Sterling Area countries including those in the Community. We have put forward proposals for making the necessary adjustments in our exchange control policies in consultation with member countries, so as to move by stages to full compliance with EEC obligations by the end of a transitional period of five years. We have proposed that we should adjust our rules first on direct investment and then on personal capital other than portfolio investment; portfolio investment would be dealt with later in the transitional period. Thus the cost to the official reserves of these changes would be spread over the transitional period, during which we may expect some additional inward investment which will help to offset that cost.

131. Our proposals on this matter are still under consideration by the Community.

## Fiscal harmonisation

132. The Community countries have all adopted, or will shortly introduce, a Value Added Tax (VAT). Initially, we sought to ensure reasonable transitional arrangements for moving over to that system during the Subsidy period, in 1971. Budgetary the Chancellor announced the introduction of a VAT in this country in 1973 as a means of improving our own tax system. There is therefore no longer any need for a transitional period. It should be noted that members of the Community are at present free to determine their own rates and coverage for VAT, although it is envisaged that in due course harmonised rates and coverage may be introduced by unanimous agreement.

133. During the course of the transitional period our present customs duties (on hydrocarbon oils, beer, spirits, wine, and tobacco) will need to be converted into internal taxes in order to conform with the Treaty of Rome. As with the VAT, although the Community are at present free to determine the rates of these duties.

## European Investment Bank

134. The Bank provides loans for economic development, principally in member countries; it has provided finance for such things as road construction and factory building. Development projects in the United Kingdom would, after our accession, be eligible for such assistance from the Bank.

135. The Bank's finance is supplied by the subscriptions of member countries and by borrowing on capital markets. It was agreed that we should make the same subscription to the capital of the Bank as France and Germany (£137.5 million, of which £37.5 million will be paid up). The subscription will be wholly payable in sterling and will fall due in instalments over a period of two and a half years from our accession. It is expected that the greater part of this sum will remain in the United Kingdom and will not be transferred across the exchanges. Negotiations on a United Kingdom contribution to the Bank's statutory reserves have not yet been completed.

136. We will be represented on the Bank's management on the same footing as France, Germany and Italy.

## Regional and industrial policies

### Regional policies

137. Because of the new opportunities for the economy as a whole, we shall be able as members of the Community to deal more effectively with our problems of regional development. All our experience over the years is that measures to stimulate such development work best within a wider framework of expanding trade and investment.

138. The Community recognises that regional policy has a vital and continuing role to play in economic development. Membership, therefore, will not inhibit the continuation and further development of vigorous regional policies which are necessary both on economic and social grounds. The existing members of the Community are pursuing such policies and they are using a wide range of regional assistance measures, many of which are similar to our own measures.

139. In the enlarged Community, we shall be sharing experience and exploring how the institutions of the Community can help us in dealing with the process of regional adaptation to major changes in industrial structure.

### Special tariff arrangements

140. Duties on most industrial materials are zero in both the United Kingdom tariff and the CET of the

Community, but there are a number of items of particular importance to British industry which are dutiable under the CET, and we have sought to ensure that membership of the Community will not lead to a new charge on supplies of these materials.

141. In some cases, after a careful examination of the situation, it has been concluded that the enlarged Community will be self-sufficient. For the rest, we have agreed on arrangements which will ensure that about 90 per cent of our imports from outside the enlarged Community will continue to be imported free of duty. These arrangements will be particularly beneficial to Canada and Australia, who are important suppliers of several of the materials concerned. The agreements reached are summarised in Annex B.

142. In addition, the Community has agreed to continue indefinitely its suspension of the duty on tea.

## The free movement of labour

143. Under the Community's regulations nationals of member countries may enter the territory of another member state to look for work or to take a job already arranged. In practice the provision for the free movement of nationals of the Six to seek or take up work has had only a limited effect on the actual movement of workers. The Community as a whole has been consistently short of labour and large numbers of workers from outside the Community have moved into it to take up unfilled jobs. Inside the Community movement of workers between member countries actually diminished between 1965 and 1969. The movement of labour within an enlarged Community will probably continue to be dominated by economic and social factors, rather than by regulations, and the position in practice is likely to be similar to that which now prevails. For these reasons the Government have not asked for any transitional safeguards for our national labour market as a whole. Nor was there among the questions raised by the previous Government. Certain questions arising from the Community's regulations (e.g. the definition of nationality) are being discussed with the Community. The Community's regulations will not, of course, affect our controls over immigration from countries outside the Community.

144. For Northern Ireland, however, we have sought a five-year transitional period before the application of the Community's requirements on free movement of labour. During this period any available work there should be reserved, as it now is, for residents of Northern Ireland. In the first instance, we have also stated that it may well be necessary towards the end of the five years to consider whether, and if so what, further special measures will still be needed.

## Third country agreements

145. The Community has negotiated association agreements or preferential trade agreements with Greece, Turkey, Tunisia, Morocco, Israel, Spain and Malta.

146. We have agreed to accede to these agreements, subject to transitional provisions and any other adaptations that may need to be made in consultation with the countries concerned. Detailed discussions have begun, and it has been agreed that the aim is to settle all these questions before the end of the accession negotiations, but without delaying the conclusion of these negotiations.

147. Gaining preferential access to Greece, Turkey, Tunisia, Morocco, Israel and Spain, with a total population of just under 100 millions, should be of substantial benefit to British exporters.

## Other agricultural and fisheries questions

148. At the outset, in addition to the transitional problems described in paragraphs 81-89, we raised a number of agricultural questions which have now been satisfactorily resolved. There will be annual reviews of conditions and prospects for agriculture both nationally and on a Community basis, including meaningful and effective consultation with producers' representatives. It has also been established that adequate supplies of milk for domestic consumption can be assured throughout the year under the Community's price system and the Milk Marketing Boards, like the other Marketing Boards, are expected to continue their essential marketing functions. For pigmeat and eggs the Community have fully recognised the special importance of market stability and a close watch will be kept on developments in an enlarged Community.

149. Good progress has also been made in adapting the detailed provisions of the common agricultural policy and other Community legislation in the agricultural and food sector to the circumstances of an enlarged Community. Detailed discussions are still continuing on a number of important aspects, notably about food manufacturing. A number of adaptations are called for to reflect the special circumstances of the United Kingdom food trade, and to ensure that our food manufacturers can take maximum advantage of the wider market which will become available to them.

### Hill farming

150. We have explained to the Community the problems of our hill farming areas, and the policies which have led us to give special assistance to farmers in these areas. Existing member countries face similar problems and within the framework of the common agricultural policy they have adopted a variety of methods to deal with them. They have recognised the need for similar action in these areas of the United Kingdom where special conditions obtain. We shall therefore be

able to give the continuing assistance needed to maintain the incomes of farmers in the hill areas.

## Animal health

151. There are differences between the animal disease situation here and in the Community and in the methods of control employed. In particular the Community apply vaccination and slaughter policies against foot and mouth disease and require that cattle passing between member states must have been vaccinated, whereas we rely on a slaughter policy alone. Our aim is to ensure that the progressive improvement of animal health standards will continue in the enlarged Community. We have accordingly proposed that an expert working group, including the other applicants should be set up to assess the technical and commercial considerations and the possible measures that might be taken.

## Fisheries

152. We and the other applicant countries have made clear that we do not consider the common fisheries policy, decided upon at the time our negotiations began, to be appropriate to the needs and circumstances of an enlarged Community, particularly in respect of access to fishing grounds. (The common policy does not, of course, affect members' rights to control access to their fishing grounds by non-member countries.) Our own catch is greater than any of those of the existing members of the Community. About two-thirds of our 21,000 fishermen are interested mainly in fishing around our shores, but in terms of value of catch our middle and distant water fleets are of great importance.

153. The Community have agreed that the arrangements governing access to coastal fisheries will have to be reconsidered in the perspective of enlargement and further discussions will be held in the near future. The Government are determined to secure arrangements which will be fair to our fishermen, the enlarged Community and will satisfactorily safeguard the interests of British fishermen.

## European Coal and Steel Community

154. The European Coal and Steel Community (ECSC) was the first Community established by the Six. It dates from the Treaty of Paris signed in 1951. Its declared aim is to ensure an orderly supply of coal and steel to the Community, while at the same time taking account of the needs of third countries; to promote the orderly expansion and modernisation of production; and to provide better conditions of living and employment for the workers in the industries. The Community has at its disposal considerable funds which derive from levies on the coal and steel production of Community undertakings. These funds help the development of the industries, provide cheap loans for workers' houses, and help finance new employment opportunities and retraining schemes for any coal and steel employees who become redundant. They also provide grants for coal and steel research.

155. It has been the declared policy of this Government, as of their predecessor, to accept the Treaty of Paris and the regulations made under it. At the meeting of the Council of Western European Union at The Hague on July 4, 1967, the Secretary of State for Foreign Affairs, at the meeting of the Council of Western European Union at The Hague on July 4, 1967, (Cmd. 3345: July 1967.)

156. In the course of the negotiations we have secured terms which are acceptable to British coal and steel interests. The Community have assured us that they have no intention of calling into question the size or the legal position of the British Steel Corporation or the National Coal Board.

157. In general, the present relationship between the Government and the coal and steel industries will continue, although the Secretary of State for Trade and Industry's powers to give directions of a general nature will need to be modified. The industries themselves will remain free to develop on fully commercial lines. There is no question of their having to cut back production. The powers in the Treaty relating to the establishment of production quotas can be used only in times of "manifest crises" and with the agreement of the Council of Ministers, of which we shall be a member. They have never in fact been used and there seems no likelihood of their being used. As regards investment more generally, the plans of our industries will remain entirely unaffected provided there is no question of unfair subsidisation. This is wholly in accord with present Government policy. On this basis, we have undertaken to bring our legislation and practices into line with the Treaty of Paris. One of the aims of the Treaty is to ensure the orderly supply and free movement of coal and steel throughout the Community and it would clearly be incompatible with this aim for Governments of individual member States to be able to distort competition by issuing directed orders or prices. The powers of the Secretary of State for Trade and Industry to give a direction on prices to the British Steel Corporation, arising out of a recommendation of the Iron and Steel Consumers' Council, will therefore, as already announced, need to be repeated. In the event of our entry the Iron and Steel Consumers' Council will be wound up. Further consideration is being given to the powers of the Coal Consumers' Council. We shall, however, be appropriately represented by producers, consumers, and workers on the ECSC Consultative Committee. As regards prices generally the NCB, the BSC, and the independent steel producers will need to operate pricing practices in accordance with the common rules which will apply within the enlarged Community. In the formulation of future policy in this field we shall of course have a major role. Coal imports from Community

countries will be free from restrictions, as will our coal exports to them. This freedom of trade should benefit our coal industry.

158. As regards transitional measures it has been agreed that tariffs for steel products covered by the Treaty of Paris will move at the same rate as has been agreed for industrial products generally (see paragraph 79 above). We have also secured a transitional period of two years during which we may, if we wish, maintain control over the export within the enlarged Community of certain grades of scrap. 159. We shall gain access to the reserve funds of the Community, which amount to about 250 millions, immediately upon accession. This is rather to benefit from them on an equal footing with other member states. Accordingly we have agreed to make an investment in them amounting to 224 millions, to be paid in three equal annual instalments starting from the date of our accession. This is rather less than would be called for on a strict application of the ratio of the value of our coal and steel production to that of the Community. The money will be banked and spent primarily, probably wholly, in the United Kingdom.

## European Atomic Energy Community

160. The European Atomic Energy Community (Euratom) is the third of the European Communities. It was set up by a separate Treaty which, like the Treaty setting up the Economic Community, was signed in Rome in 1957. It is concerned with the peaceful uses of atomic energy, promotes nuclear research and ensures the dissemination of technical information.

161. We have agreed to accept this Treaty and the rules made under it in the case of tariffs, where the necessary changes will be made one year after accession. This movement in tariffs, which is more rapid than is being applied in the case of industrial products generally, is potentially beneficial to our interests. The balance of trade in nuclear items between this country and the other members of the enlarged Community is already in our favour and could improve further.

162. We have assured the Community that we shall play a full part in the future of Euratom and have agreed to participate in its research programmes. The Community have assured us that these programmes can be modified to take account of our entry. We expect some contracts for nuclear work to be placed in the United Kingdom.

163. Euratom operates a system of control and inspection of civil nuclear installations, which is designed to ensure that nuclear materials are not diverted to purposes other than those for which they are intended. We have agreed to accept the Euratom control system. This will not, of course, impede the military nuclear activities of the United Kingdom nor should it occasion to nuclear operators in the civil field any greater inconvenience than they could expect to experience because of the offer made by the United Kingdom, in connection with the Non-Proliferation Treaty, to accept certain safeguards in relation to its civil nuclear programme. Nor would we envisage any difficulty for the United Kingdom arising from any agreement on safeguards between Euratom and the International Atomic Energy Agency, pursuant to the Non-Proliferation Treaty.

164. The Euratom Treaty is also designed to ensure that all users in the Community receive a regular and equitable supply of ores and nuclear fuels. But this part of the Treaty is at present under revision. The Community have agreed to let us have their proposals before adopting them and we will be consulted about them.

165. It has also been agreed that we shall pay no entry fee in return for our access to the capital assets and scientific information held by this Community. At the same time, in recognition of the fact that we will have access to the complete stock of nuclear knowledge acquired by Euratom during its life, we have agreed to deposit knowledge of equivalent value with Euratom immediately after our accession.

## The other applicants and the EFTA non-applicants

166. The negotiations between the Community and the other applicants for membership, Norway, Denmark, and the Irish Republic, have made considerable progress. All concerned hope that it will be possible to conclude the negotiations by the end of the year in time to allow all four applicants to join the Community simultaneously.

167. The non-candidate members of EFTA (Austria, Iceland, Portugal, Sweden, and Switzerland), and Finland (an associate member of EFTA) are seeking arrangements with the Community which would vary, country by country, depending on their economic and political position. All of these countries are at present engaged in discussions with the Community.

168. We and our EFTA partners have stated in communiques after several Ministerial meetings that we have a strong interest in maintaining as part of the enlarged Community, the free trade already established in EFTA and in avoiding the re-erection of tariff barriers between members of EFTA. 169. EFTA Governments have also expressed their desire that the arrangements for the non-candidate members of EFTA should come into force at the same time as the enlargement of the Community. So has the Community.

## ANNEX A

### The Community's direct income system

1. During the period up to 1970, the Community's expenditure was financed by a combination of the proceeds from levies on agricultural imports which were made over to the Community, and financial contributions from the member states. The Treaty of Rome establishing the European Economic Community envisaged the replacement, in due course, of the national

contributions by the Community's own resources.

2. On 21 April 1970, following agreements reached at the Summit meeting of the Six at The Hague in December 1969, and the submission of proposals by the Commission, the Community's Council of Ministers adopted a new system designed to make the Community self-financing and to bring its expenditure into one central budget.

3. Under the new system, which came into effect on 1 January 1971, the Community will progressively draw a greater proportion of finance for its budget directly from the revenue of customs duties and of levies on agricultural imports. Except for a 10 per cent rebate to cover collection costs, all levies on agricultural imports will be handed over by member states to the Community. In the case of customs duties, an increasing proportion will be paid over until, from 1 January 1975, all customs duties will be handed over, less the 10 per cent rebate. The remaining proportion of the necessary revenue will continue to be made up until 1975 by contributions from member states according to this agreed fixed scale:

	Per cent
Belgium	6.3
France	32.6
Germany	32.9
Italy	20.2
Luxembourg	0.3
Netherlands	7.3

The contributions from these countries in an enlarged Community would, of course, be different.

4. From 1 January 1975, in addition to the revenue from levies and customs duties, the Community is due to receive directly a proportion (equivalent to up to 1 per cent rate) of the proceeds of a Value Added Tax, which by this time will be in force in all member states, to the extent necessary to meet any deficiency.

5. All these financing arrangements are subject, until 1973, to what are called "correctives," which will ensure that no country's share of the budget will increase or decline by more than a relatively small amount from the so-called "key" level fixed for 1970. From 1971 to 1974, no country's budget share may rise by more than 1 per cent or fall by more than 1½ per cent of its share in the previous year. For the years 1975 until 1977 these annual limits will be 2 per cent of the previous year's share in either direction. Thus Italy, whose 1970 key was 21.5 per cent, would have a maximum contribution of about 23.75 per cent in 1977.

6. The revenue raised under these arrangements finances the common agricultural policy, the administrative costs of European institutions, the European Social Fund (to promote the employment and mobility of workers), research and investment through the European Atomic Energy Community, the Community's Food Aid Programme for overseas, and refunds to member states to cover the cost (assumed to be 10 per cent) of levies on agricultural imports, which are paid to the Community. The Community's budget for this expenditure in 1971 totals £1,273 million, made up as follows:

	£ million
European Agricultural Fund	1,096
Community administrative costs	62
Repayment to member states to cover costs of collecting levies and duties	56
Euratom research and investment	28
European Social Fund	23
Food Aid	8
	1,273

7. The reason for the high proportion spent on agricultural support is partly historical and partly because of the rôle which agriculture plays in the economies of the Six. In all the Community countries this is larger than in Britain and a larger proportion of their manpower work on the land. When the Community was set up it was felt necessary not only to provide opportunities for Community industry but progressively removing the tariff barriers within the Community, but also to provide a common policy in the field of agriculture which was politically and economically so important for each of the Six.

8. As the Community develops there will be other purposes for which Community funds will be spent, such as technological, industrial and research policies, from which, unlike agriculture, Britain could expect to receive back money commensurate with her contribution to the Community's budget.

## ANNEX B

### Solutions agreed for the tariff treatment of industrial materials

1. For woodpulp and lead bullion (both key materials for industrial processing in the United Kingdom) the CET will either be completely suspended or equivalent arrangements made so that we are assured of continuing duty-free access to these products even beyond the end of the transitional period.

2. For newsprint we shall share in a Community duty-free quota up to the full extent of needs not covered by domestic production. This means that our newspaper publishers will be able to buy the balance of their requirements duty free from the sources they choose including both Canada and Scandinavia. Agreement was also reached on widening the definition of newsprint to include lighter weight newsprint; otherwise some of our newspapers who use this type of newsprint would have had to pay a CET of 12 per cent.

3. For phosphorus it has been agreed that the CET will not start to apply the CET even at a reduced rate until 1977 and that it would be open to us then to apply for either suspension of the tariff or duty-free quotas.

4. For alumina it has been agreed that the CET would be suspended from its current level of 8.5 per cent to 5.5 per cent. Imports of alumina into the United Kingdom would be free of duty until 1 January 1976, would as from that date pay half the suspended rate, and would from 1 July 1977 pay the full 5.5 per cent rate. But it has been recognised that in the particular circumstances of the aluminium industry we should be able at any time after entry

to apply in advance for a duty-free Community tariff quota for the period after 1 January 1976.

5. The remaining products on our list fall into two groups. For plywood, arrangements have been made, including a duty-free quota for certain specialised types of coniferous plywood which should continue to allow in most of our imports duty free. And for the wattle extract used by our tanners the CET will be cut by two thirds, down to 3 per cent. These arrangements for plywood and wattle extract are not limited to the transitional period.

6. For the remaining products, silicon carbide, ferrochrome, ferro silicon, refined lead and zinc and aluminium it was established that we should be able to secure all or nearly all our needs duty free either from increased United Kingdom production or from other suppliers in the enlarged Community. And in the case of lead and zinc we shall be participating in existing Community tariff quotas which it has been agreed to adjust to take account of enlargement. Moreover, in the case of certain of these products it has been agreed specifically that if the supply position were to change it would be open to us to apply for duty quotas.

## ANNEX C

### Arrangements for parliamentary consideration of the question of British accession to the European Communities

(Text of a statement made by the Prime Minister, the right hon. Edward Heath, MP, to the House of Commons on June 17, 1971.)

"With your permission, Mr. Speaker, and that of the House, I should like to make a statement on how the Government see the arrangements for Parliamentary consideration of the question of British accession to the European Communities.

"It may be helpful if I begin by setting out the stages which must be completed before we can become a member of the Communities. We have first to resolve the major issues outstanding in the negotiations. Second, Parliament should be invited to take a decision of principle on whether the arrangements so negotiated are satisfactory and whether we should proceed to join the Communities. If that be agreed, we have, third, to resolve the remaining issues in the negotiations. Fourth, a treaty of accession has to be prepared and signed. Fifth, legislation to give effect to that treaty has to be drafted, considered by Parliament and enacted. Finally, we and the other parties to the treaty have to deposit instruments of ratification of the treaty.

"As to the first of these stages, we hope that it will be possible to resolve the major issues outstanding in the negotiations by the end of this month. As soon as possible thereafter the Government will publish a White Paper setting out in detail the arrangements that have been agreed and the Government's conclusions on whether they constitute a satisfactory basis for joining the Communities.

"The timing of subsequent stages depends upon striking a balance between a number of conflicting considerations. On the one hand, uncertainty will persist until Parliament has taken its decision. We owe it to our partners in the negotiations, to our fellow-applicants for membership, whose decisions will to some extent depend on ours, and to ourselves, to resolve this uncertainty as soon as we can. Moreover, the marketing and investment planning of British industry, and future planning in many other sectors of our national life, are vitally dependent on the decision. It is right that all concerned should know as soon as possible where they stand.

"On the other hand, the Government have always acknowledged the need for the whole question to be fully considered and discussed by Parliament and by the public before Parliament is asked to take the decision of principle on it. Although it is true that the main arguments for and against our joining the Communities have been put before the public since the first application for membership ten years ago, it is right that we should take time to consider them in the light of the outcome of my right hon. and learned friend's negotiations in Brussels and Luxembourg. The timetable which the Government propose, therefore, is as follows:

"The House will be invited to debate the White Paper before recess for the Summer Recess. The detailed arrangements for this debate will be discussed through the usual channels. The Government envisage that it should be an expository and exploratory debate, on a Motion which does not invite the House to take the decision of principle at the end of this debate, though we must, of course, reserve our freedom of action in the event of any substantive Amendment to such a Motion.

"Then, when Parliament meets again after the Recess, there will be a second debate, at the conclusion of which the House will be asked to decide in principle whether Britain should join the European Communities.

"In the meantime, our delegation in Brussels will continue to negotiate on such issues as still remain outstanding. The aim will be to carry forward these negotiations and work on drafting a treaty of accession so that, if Parliament decides in the autumn that Britain should join the Communities, the treaty of accession can be signed by the end of this year.

"This would allow the whole of 1972 to complete what would require to be done before our accession. In Parliamentary terms, this would mean that Parliament would be invited to consider and to pass the constitutional legislation, which would be substantial, by the end of the Session 1971-2. Thereafter the instrument of ratification of the treaty of accession would be deposited, in time for our accession to the Communities to be effective from January 1, 1973.

●The United Kingdom and the European Communities. Cmd. 4715. Stationery Office, 25p net.

140. Duties on most industrial materials are zero in both the United Kingdom tariff and the CET of the



PETER JENKINS

## Europe or the deluge

THE White Paper expounds the case for joining the Common Market. It is an essay in propaganda. The case is reasonable but not intended to be judicious: the advantages of membership and the penalties of exclusion are asserted with partiality and commitment. It attempts to soothe popular anxieties about food prices and sovereignty but it gives no quarter to the professional opponents of Britain in Europe. It is evidently not intended by the Cabinet to serve as Order Paper for the Great Debate but rather as a manifesto.

The anti's will regard it as an excellent propaganda document. It is bound to excite the political atmosphere. The Prime Minister and the Cabinet must know it and must have intended it means that the House of Commons later this month will be asked to take note of a balanced statement of the pros and cons but of declaration of the Government's faith and intent.

Indeed, the tone of the White Paper adds to the suspicion that the Government could not complain if he is bounced into bouncing, at is to say given the case to put the whips on to settle the matter this summer after all.

The terms, so long awaited and for so long employed as an excuse for postponing vision and even debate, may only a supporting role in the White Paper. They are out clearly, but not in detail, and are used to be satisfactory. They will add to nobody's knowledge. The chief purpose of the White Paper, now at the terms of transition have been settled, is to argue broader political and economic case for membership of the Community. For the first time in ten years a British Government's in a position to argue not the case seeking membership, on which all parties have been agreed—but the case for finally joining.

The most remarkable feature of the Government's presentation is the force of the negative case. A number of commentators, including myself, have been urged with increasing pessimism that the most compelling reason for risking membership of the European Community is that the risks not joining are so much greater.

The White Paper is an extraordinary political document in that were the entire yet to fail, Mr Heath's government would be left without a convincing answer to the country's national line. In other words, the government itself has now for the first time told the public the truth, the truth which used to be called "sell-Britain short".

It is not quite the vocabulary which I day but our national line is not disguised and prospects for an off-shore line are bleakly set out. The historical preamble of White Paper recalls that we were "less than a century" than our European neighbours of the enfeebling effects of the war and the subsequent emergence of a world for Super Powers.

He observes that "during 1950s the transformation of our position in the world was increasingly borne upon us, in terms of economic problems at home and in the balance of payments, of the quickening move to independence among former colonies, and of a sense of diminishing influence in world councils."

The White Paper, however, is not intended to be judicious: the advantages of membership and the penalties of exclusion are asserted with partiality and commitment. It attempts to soothe popular anxieties about food prices and sovereignty but it gives no quarter to the professional opponents of Britain in Europe. It is evidently not intended by the Cabinet to serve as Order Paper for the Great Debate but rather as a manifesto.

Indeed, the tone of the White Paper adds to the suspicion that the Government could not complain if he is bounced into bouncing, at is to say given the case to put the whips on to settle the matter this summer after all.

The terms, so long awaited and for so long employed as an excuse for postponing vision and even debate, may only a supporting role in the White Paper. They are out clearly, but not in detail, and are used to be satisfactory. They will add to nobody's knowledge. The chief purpose of the White Paper, now at the terms of transition have been settled, is to argue broader political and economic case for membership of the Community. For the first time in ten years a British Government's in a position to argue not the case seeking membership, on which all parties have been agreed—but the case for finally joining.

The most remarkable feature of the Government's presentation is the force of the negative case. A number of commentators, including myself, have been urged with increasing pessimism that the most compelling reason for risking membership of the European Community is that the risks not joining are so much greater.

The White Paper is an extraordinary political document in that were the entire yet to fail, Mr Heath's government would be left without a convincing answer to the country's national line. In other words, the government itself has now for the first time told the public the truth, the truth which used to be called "sell-Britain short".

It is not quite the vocabulary which I day but our national line is not disguised and prospects for an off-shore line are bleakly set out. The historical preamble of White Paper recalls that we were "less than a century" than our European neighbours of the enfeebling effects of the war and the subsequent emergence of a world for Super Powers.

"I'm making money while the sun shines, mate. This place mightn't be the Hilton, but it's packed all summer long with tourists who pay what we ask. And that's all that matters. The man had described himself as the owner of the hotel, a 15-roomed converted Victorian family house between Paddington and Notting Hill Gate. It presented, as did so many of the other, virtually indistinguishable, hotels jammed into the heart of London's 'medium-tourist' bedroom, a bold front and a brave name. Little else."

"The boom is really on in this city. We do not even have to advertise, yet we are packed out. He was charging between £4 and £5 a night for small, single rooms ('but we will shove another bed in for an extra thirty bob')."

A few streets away, another hotel, another 'owner, manager, do bloody everything. No one was sent to let the tourists, he said. We give them a bed and breakfast for between, say, £3 and £5 depending on the time of the year, how business is and so on. No one doesn't have individual baths or showers or dual porters or car parks, or lifts, but we keep the place clean, and anyway, tourists only use hotels to sleep in and they are outside most of the time."

"We certainly do not have to bend over backwards to attract customers or to keep them. There is such a shortage of hotels in London that it really is a seller's market. Few people ever complained, he said, about the size of rooms or lack of baths ('Some of the Yanks moan a bit about no showers') and, that apart, 'they really

can't afford to be too choosy, can they? I mean, there really is nowhere else for them to go in London. They find that out very quickly and have to take what is offered."

Those hotels, and those views, underline the tourist crisis facing London and much of the country. The number of visitors is soaring, the number of hotel rooms is creeping upwards. Prices are flying high, guest turnover is fast, and as the English Tourist Board said yesterday, even if tourists had the time to make complaints and were able to discover to whom a complaint should be made, "there is really nothing of an effective nature that can be done about a hotel. The ball is in the other court, I'm afraid."

Tourism is currently our fourth biggest money-spinner. Last year almost 64 million visitors came to Britain, and 55 per cent of them spent most, if not all, of their holiday in London.

In recent months, London hotels have come under increasing fire from the tourists and from various concerned British tourism officials. The tourists say the hotels are far too expensive, the officials warn we could be in danger of killing the goose by extracting too many golden eggs for so little in return.

It has proven impossible to gather any official statistics of how hotel prices have increased in recent years, but £2, £4, and even £5 increases on medium and lower class tariffs during the past three and four years are all too common, according to regular foreign visitors and hoteliers.

The Consumers Association today attacks the failure to provide accommodation for the millions of young tourists expected in Britain this year. Many will end up sleeping on benches in railway stations, in parks, and in doorways. A CA survey reveals that no accommodation has been purpose-built for the youngsters; most existing hotels are far too expensive—"and anyone who pays a low price may be unhappily surprised by what goes with it."

The survey highlights Britain's accommodation crisis. PETER HARVEY investigates.

## Holiday for groans

can't afford to be too choosy, can they? I mean, there really is nowhere else for them to go in London. They find that out very quickly and have to take what is offered."

Those hotels, and those views, underline the tourist crisis facing London and much of the country. The number of visitors is soaring, the number of hotel rooms is creeping upwards. Prices are flying high, guest turnover is fast, and as the English Tourist Board said yesterday, even if tourists had the time to make complaints and were able to discover to whom a complaint should be made, "there is really nothing of an effective nature that can be done about a hotel. The ball is in the other court, I'm afraid."

Tourism is currently our fourth biggest money-spinner. Last year almost 64 million visitors came to Britain, and 55 per cent of them spent most, if not all, of their holiday in London.

In recent months, London hotels have come under increasing fire from the tourists and from various concerned British tourism officials. The tourists say the hotels are far too expensive, the officials warn we could be in danger of killing the goose by extracting too many golden eggs for so little in return.

## In search of superpup

Adam Raphael in Maryland: Wednesday

sounds a promising theory which could well be extended to humans, but the day of my visit two of the pups so employed the merry-go-round that they fell asleep mid-way through their ride and had to be woken up afterwards. Still they didn't like the freezer, so perhaps their characters won't be ruined.

Psychology plays a big part in a dog's life at Edgewood. From the maternity ward, where soothing pop music jells mothers-to-be into properly relaxed states, to the outside kennels, where giant loudspeakers roar out sounds of battle attention is paid to small details. From the eighth week, the puppies are put through a series of intelligence and temperament tests.

week, the Superdog examiners have a good idea of which of the puppies they want to keep for advanced obedience testing and possible for bold, outgoing, self-confident dogs. Those who are cashed in are either sold, posted to other Army units, or sent to hospitals for medical research.

"Temperament is the big problem," says Colonel Castleberry. "We are looking for bold, outgoing, self-confident dogs. Those who are cashed in are either sold, posted to other Army units, or sent to hospitals for medical research."

## The Garden trap

by John Ezard

A NEW hit show opened yesterday in Charing Cross Road, next door to the Garrick Theatre, which is staging 'Somebody Upstairs Loves Me' and almost opposite a cinema screening 'Love Me Love My Wife'.

It may well outrun both of them although, at the moment, the GLC's chief counsel, Mr. John Taylor, was well dug into a performance likely to take longer than a solo rendering of Wagner's 'King'.

A young but seasoned artist, he included the occasional shock effect. "Disastrous" and "uncontrollable," he said of the prospects if the Garden's redevelopment is left to naked market forces when the market moves to Battersea in 1973.

Without a comprehensive development plan, the move would trigger off applications from speculative developers who would want to provide lucrative offices, shops, and hotels but not low-cost housing, schools, cultural amenities, pedestrian precincts or open spaces.



ONASSIS: goldmine

The 100th object—the Civic Trust—closed in yesterday. The inquiry is already confidently booking witnesses for early August. When the Department of the Environment Inspector, Mr. C. Hilton, discussed the timetable for the GLC's closing speech, he made it sound a prospect as long term as the closing of 'The Mousetrap' at the Ambassador's, 40 yards away.

Mr. Taylor continued that the GLC was elaborating a scenario laid down when Parliament agreed to move the 300-year-old Earl which was opened by the Earl of Bedford.

Mr. Taylor took almost 10 minutes merely to read the names of future GLC witnesses giving the Inspector all their Christian names. Halfway through this peroration three foreign girl tourists fled from the public gallery. By that stage, they had not even heard details of what the plan envisaged. But they had perhaps gained an insight into the rituals by which England takes the heat out of its civic conflicts.

## Black is bleak

Robert Maynard in Minneapolis: Wednesday

BLACK Americans, although still languishing at the lower end of the American economy, made some progress in the last decade and can be expected to do even better in the present one. But the immediate outlook is bleak. Andrew F. Brimmer, the only black member of the Board of Governors of the Federal Reserve Board, provided the following: Blacks during the decade of the 1960s were 11 per cent of the population, but their share in the employment gains of the decade accounted for 12 per cent, even though they began the decade holding a little more

status of blacks in the economy, urged the setting up of wage and price controls to curb inflation and public service spending to stem the tide of unemployment. He said those measures would aid blacks as well as whites in this period of inflation and recession. Brimmer said his most recent study of blacks in the economy turned up the following: Blacks during the decade of the 1960s were 11 per cent of the population, but their share in the employment gains of the decade accounted for 12 per cent, even though they began the decade holding a little more

than 10 per cent of the jobs. Blacks held low-paying jobs on the farm and in households at a rate between two and three times faster than their white counterparts during the last decade. "While non-whites made substantial progress during the 1960s in obtaining clerical and sales jobs, and also registered noticeable gains as craftsmen," Brimmer said, "their occupational centre of gravity remained anchored in those positions requiring little skill and offering few opportunities for further advancement." — Washington Post.

## MISCELLANY

### side track

CA has just issued a pop ad called "You've Got to Get on." No mention of dread Market, but the sage is clear enough. Put past behind us, forward the future, etc., etc.

has been recorded by a pop called Unity, with full highly professional backing (sweeping strings and a le orchestra). BBC radio is an ailing yesterday, it was fair and topical. But what happens if it takes the hit parade? How can it be played on One without infringing inflexible laws of political correctness?

the corporation hierarchs troubled enough by ages of pro-market bias, are cleaving to the line since all three major parties are formally united on fish entry they are in the r. Give it a week, gentle-

### ix wall

VALUE-ADDED forestate. National Association of Architects has been in arms for weeks about Government decision to value-added tax on their fees. The tax, a Common Market standard, was introduced in Belgium last year. Now the architects have been told that they must charge 18 per cent to their bills, plus an extra to the state.

When the tax men arrived, they couldn't get in. Communication, the architects said, has broken down. Laying it on, you might say, with a trowel.

### Learning aid



BOND: no grant

MORE SAVED against than saying? The Royal Court looks like having to abandon plans to take Edward Bond's twentieth-century 'King Lear' to Belgrade in September for its world premiere. The invitation came after Bond's 'Saved' won first prize at the last Belgrade Festival. Mira Trailovic, the festival's director, offered to put up most of the money for the trip.

Helen Montagu, says, "Or are they worried about the violence in 'Lear'? After all, Bond's 'Lear' is really an anti-Communist play, so it can hardly be that."

THE COUNCIL OF Citizens Advice Bureaux, shocked by the sacking of its secretary, Joan Pridham, by its parent body, and the resignation of its chairman, Sir Harold Bond, has decided to try healing the rift. It has passed a motion deploring the circumstances of the sacking, but will try to negotiate with the National Council of Social Services. To this end the advice bureaux have appointed a new chairman. And who better than John Wallis, a former training officer with the National Marriage Guidance Council?

### Polytechnique

A FORTNIGHT ago in Eastbourne Margaret Thatcher was saying that the next stage of the poly and further education building programme would be announced very soon. This still appears to be the position, which is interesting poly-watchers more than somewhat because the announcement is already several weeks overdue.

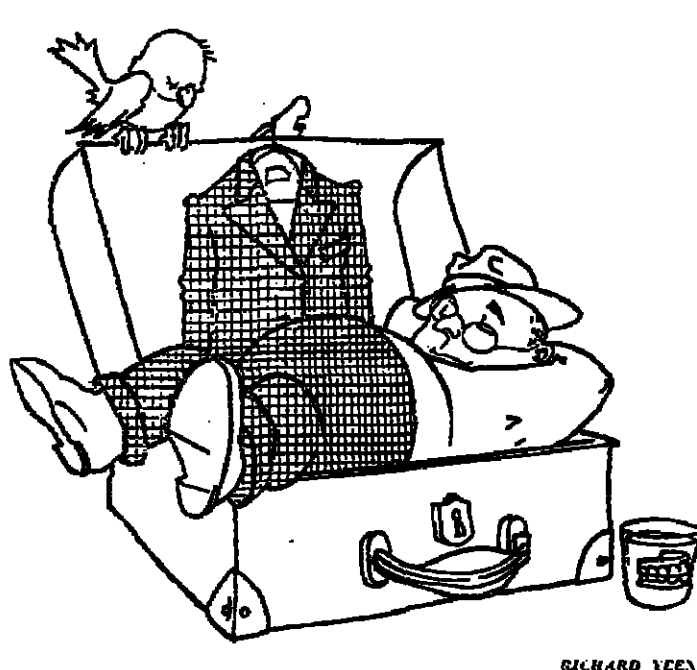
The best guess is that a battle royal is going on between Mrs T and those dragons of the Treasury who gorge badly at the time of the Barber cuts. This time there are two issues: the size of poly expansion in the present decade and the building standards on which the operation is to be mounted. Apparently, individual polytechnics reported last autumn that they could double, or even triple, their numbers by 1981. But how is it to be done? As for building standards, Ted Short insisted, towards the end of the Labour Administration that f per



ONASSIS: goldmine

THE MAN most likely to gain most out of the £6-7 millions that the Northern Ireland Government is pumping into Harland and Wolff's shipyard is Aristotle Onassis. Who is also the man least likely to need the money.

It works this way. By not buying the whole H and W equity for £1.25 million—as it could have done—the Northern Ireland Government has left existing shareholders sitting on a goldmine. When, thanks to all that public money, Harland and Wolff burst through to prosperity, the existing shareholders can expect a handsome capital gain.



RICHARD YEARD

sponsored guides, there is no such system in existence in this country. But it is common. Excuse for tourists to grade and classify hotels and inns, and to be excluded from the official guide for not meeting the basic standards required by the central authority. Exclusion can spell bankruptcy for a hotel.

The English Tourist Board told me the machinery for classification and registration, a system "certain to control prices and ensure good standards," exists under the Development of Tourism Act of 1969. But until the Government activates the relevant sections, the system cannot even go through the pilot study phase. Mr Raymond Ward of the ETB said it was hoped that "activation" would come later this year... but it will still be two years before the system can begin to take effect.

The ETB says the system is "objective rather than subjective. We will not be interested in whether or not the waiters are nice. We will grade and classify hotels on the important things—their high and low charges; whether or not they have car parks, air conditioning, lifts, porters, bathrooms, showers. We will expect hotels to display their charges on the back of every door and our inspectors will be continually on the move, checking and re-checking the standards we set for each and every category."

The ETB believes their hoped-for system of grading and registration will not only help the tourist to find a hotel he can afford, but force hotels to maintain their standards. "If they don't, they will be dropped from the registers. Simple as that."

## Ticket and see

by David Fairhall

DISCOUNT Travel Services, the Chelsea firm which claims to have found a legal loophole in the Government regulations controlling cheap package tour holiday flights, was unrepentant yesterday as it tried to cope with a continuing flood of inquiries from its front office amongst the Kings Road boutiques, advertising. "Today's Special—Miami £99 return," was closed for the afternoon while the staff tried to catch up with a backlog of 400 bookings.

A major reason for the backlog is that Sunair Holidays, which admits an "inadvertent infringement" of the regulations by carrying a Discount Travel Services customer to Rome who was not really on a package, has now stopped all dealings with the Chelsea firm. The passenger was referred to Sunair as the advertising representative of a travel firm with urgent business on the Adriatic coast and out from Gatwick Airport-London on Airtours charter flight. But he turned out to be a journalist employed by the "Evening Standard" and wrote his story in yesterday's edition.

While BEA Airtours and Sunair waited to see whether the Air Transport Licensing Board would consider revoking their licence to serve Rimini, and whether the Department of Trade and Industry would prosecute for infringement of the terms of the licence, DTIS's general manager, Jonathan Smith, dismissed the incident as an unfortunate exception which would not affect the basis of his normal business. In fact, he claims, his customers are sent off as legitimate package tour holidaymakers. The key to his cheap flights—£99 return, New Year £78 return, Hongkong £169 return—is that he never actually charges for the hotel accommodation.

The Government regulations allow charter operators to offer the complete package, transport and hotel, for the same rate as the ordinary scheduled air fare. Mr Smith's firm takes the money for the charter fare, but gives passengers an invoice for the hotel voucher that goes with the air ticket. At this is one bill they never have to pay.

The hotel voucher, he insists, is perfectly genuine. "It'll be for some pension in the back of beyond, riddled with taxes, but it won't be comfortable, but they could stay there." He is not concerned about the standard of the accommodation because his customers have no intention of staying there. The voucher is provided as a "perfectly legal" device for charging less than the scheduled airline fare.

"Everybody's done it for years; only one crime is to open a shop and bring it out into the open. But Mr Smith is only too ready to admit that other dodges may not be strictly legal and he considers their existence as further justification for his own operation. "I don't believe there's a single charter flight leaving this country—or very few—that's absolutely legal."

One of the most ingenious schemes—which Mr Smith described with a "bit of an implication about its legality or otherwise—is known as the 'Rent-a-student'. In order to take advantage of cheap fares available to a student, the passenger is accompanied to the airport by one who looks the seat and then hands over the anonymous boarding pass. The fee for this service is £5.50, of which £4 goes to the genuine student and £1.50 to the agent who arranges the deal.

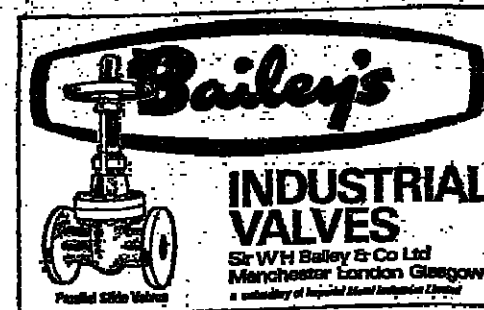




# BUSINESS GUARDIAN

Guardian City Offices: 831 Salisbury House, London Wall, E.C.2

Edited by Anthony Harris and Charles Raw



## Industry holds to its wait-and-see stance on Market entry

By OUR INDUSTRIAL STAFF

The Confederation of British Industry yesterday welcomed the terms for entry into the Common Market, but warned that the benefits were not automatic: it emphasised that it was up to industry to seize the opportunity.

It is clear that industry, in the light of past disappointments, is biding its time until the Parliamentary vote has been taken. There are no signs yet of a revival of capital investment which is going through a pronounced cyclical downswing.

A number of companies which have been making optimistic noises in public about the new opportunities are being more reserved in private. There is certainly little sign of big contingency plans being drawn up—though it is admitted that things could change suddenly once a definite decision to go in has been made.

The first reaction to the White Paper terms was mixed. Many businessmen were unwilling to commit to the precise terms until they had had time to mull them over, although a surprising number of top executives already had the paper in

front of them for study yesterday afternoon.

British Petroleum, while in favour of entry because it will benefit from the increased size of the market, is not planning any projects which would not have been started anyway. The effects of entry were "extremely marginal" to an oil company like BP which was effectively inside the Common Market already, an official said.

A similar reaction came yesterday from Sir John Wall, chairman of International Computers, who said that the removal of tariffs would bring the company a small benefit, but in the longer term an enlarged community might make European companies more willing to consider "something nearly approaching a European computer industry."

ICL has been canvassing this for some time—so far without finding a great deal of enthusiasm. However, these comments were not typical of business generally which is looking forward to the prospect of escaping from the constrictions of a small home market. The CBI Small Firms Council announced yesterday, for the first time, that a majority of its members were in favour of entry.

Sir Richard Young, chairman of Alfred Herbert, Britain's biggest machine tool firm, which is going through a tough period, said entry would benefit his industry because British engineering firms would have wider opportunities for re-equipping with capital machinery to exploit the bigger market. "This was less likely to happen if Britain was excluded," he said.

British Leyland reaffirmed its desire to go into Europe yesterday. The group, which is Britain's biggest exporter, is planning to double its sales to Europe to 500,000 cars by 1975. A spokesman said they could

never achieve this outside the Common Market.

The chemical industry has already been forced to think multinationally and most big companies have thought in European terms for at least the past decade. ICI makes £70 million worth of goods in the EEC.

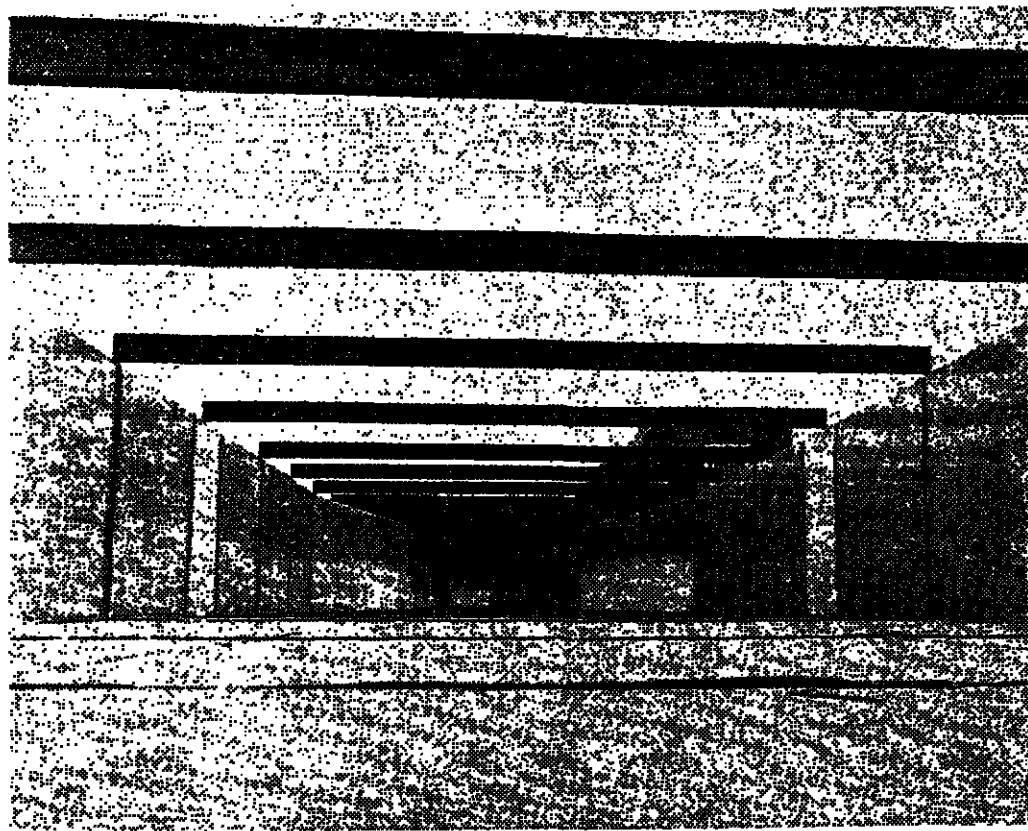
The industry has long declared itself in favour of entry, although a recent report by the Atlantic Study Group sought to prove that the giant European chemical companies would in fact gain more than British ones.

ICI's chairman, Mr Jack Callard, has re-affirmed his support for entry. He said that tariff barrier removal was not the most important change. Major UK customers of the company would prosper under the stimulus of membership—and if that happened he expected a greater volume of UK trade in supplying them.

The CBI has brought forward its next council meeting so that the White Paper can be discussed ahead of the Commons debate. It will be held next Thursday instead of the following week, and the August council meeting will also discuss the Common Market.

The prospect of Common Market entry is unlikely to increase activity in the textile industry, though opinion is generally favourable. "We will lose in some directions, but by and large we should gain," a Textile Council official commented.

There is unlikely to be a rush to put up new mills in Yorkshire—a wool industry official said that companies had already been investing in the Common Market in mind. Yorkshire is already selling well in Europe in spite of existing tariff barriers. "It isn't going to open new markets. But it will be opening the door wider to existing markets," he explained.



This long, new sewage channel at the West Hertfordshire Main Drainage Authority, near Rickmansworth, is constructed of reinforced fibre composite sections made by BTR Reinforced Plastics of Uxbridge, Middlesex. The maintenance-free, modular panels are being increasingly used in the construction of tanks and channels for water, oil, effluent, and chemical storage and handling.

## New stock disappoints market

By TOM TICKELL

THE MARKET was rather disappointed by the Treasury announcement of the new £400 million long-term tap-stock it is issuing at £95 with an interest rate of 8½ per cent yesterday. First suggestions were that the new stock was only half a point above the price that the Government broker last announced. Later it appeared that on a running yield basis it was 2½ points up, which is the most brokers feel could be expected at the moment. One broker forecast that after some initial reluctance the market would come in.

One of the other disappointments was that the stock does not mature until 1977, for many dealers had hoped for a medium-term issue which would mature in 14 or 15 years. But the new stock will replace an earlier long-term £400 million tap-stock issued on much the same terms, which was completely exhausted yesterday. Even so, however, the market was concentrated in the short end of the market where the tap stocks could be exhausted in the very near future.

## Warner to buy Vista Tours

Warner Holidays is to expand into the package-tour market by buying Vista Tours for £100,000, says a pre-tax profit Vista makes this year. Vista offers middle-price holidays which it sells through retail travel agents. Warner's, best known for their UK holiday camps, recently opened an hotel in Majorca.

## Major Rhodesian nickel strike

By LINDSAY VINCENT

Johannesburg Consolidated Investments last night confirmed it had made a major nickel strike in Rhodesia but once again the "bigger than Poseidon" analogy has proved dangerous.

Reports from Salisbury and South Africa last week suggested that the JCI mine would be producing 18,500 tons of nickel a year from an annual ore throughput of 1.5 million tons. Instead, initial production will be 4,500 tons from a treatment of 720,000 tons. For the record, Poseidon will be treating 1.2 million tons a year and its grade is much higher than that at Shangani, location of the JCI strike.

It was these rather optimistic reports, and the Poseidon analogies which prompted JCI into making its announcement—and in doing so it became the first company to announce openly an important mining discovery since Rhodesia's UDI.

Not even Rio Tinto Zinc has gone this far. The company, Britain's biggest mining group, confesses to know nothing about its Rhodesian operations beyond what it reads in the South African and Rhodesian press. So given this course of events, RTZ shareholders will be encouraged to learn that they, too, have a major nickel mine in Rhodesia and one of similar proportions to that of JCI. The forthcoming 1971 publication of the authoritative Mining Annual Review claims that Empress Mines, wholly owned by RTZ's non-aligned Rhodesian subsidiary, will be treating 720,000 tons of ore a year and the average grade is 1.31 per cent. Production will be expanded when a second property is brought in in the second quarter of 1972. The JCI announcement, estimated cost of bringing the mine and smelter into production is roughly £10 million. JCI will have partners in the venture, presumably from the related Anglo-American empire and trial mining operations will commence in 1973.

## US firm's 'float' licence

Pilkington Brothers, the St Helens glass manufacturers, has licensed a sixth American company to use its float process. The latest deal has been negotiated with ASG Industries of Kingsport, Tennessee, who are manufacturers of a wide range of glass products. There are now a total of 18 licences for the process which has revolutionised flat glass manufacture. Around £300 million has been invested in the Pilkington process at 33 plants in eleven countries.

Pilkingtons has always been shy about releasing details of its licensing agreements, although its recent annual report revealed that the company received £84 million in licensing income last year from the process. Each licensee is believed to pay a lump sum for the process and a royalty on the amount produced.

The next float plant to come into operation will be at Pilkington's base in St Helens later this year.

## Trafalgar deny ultimatum

TRAFALGAR HOUSE Investments last night denied reports that Cunard has been given 24 hours to reach a decision on Trafalgar's £24 million takeover offer. However, Trafalgar said: "A decision is going to have to be taken pretty soon."

The merchant banks advising both sides held discussions yesterday, but details of the offer are still being kept secret.

One of Cunard's largest individual shareholders, former director Mr Donald Forrester, said he would not be accepting Trafalgar's offer. He thinks 185p a share is unfair, and would prefer at least 250p.

## Secret Bonn summit deal suspected

By ROBERT PRINSKY

European Economic Community experts in Brussels believe that President Pompidou and Chancellor Brandt may have reached an understanding on monetary matters in their summit meeting that ended on Tuesday, in spite of official denials.

Any assurances of a date when Bonn will unilaterally D-mark and of French support for wider exchange margins could have been given secretly only at the highest level if it is agreed. Otherwise, the two leaders would openly be ignoring EEC machinery for joint decisions.

"One objective of these things is to mystify everyone," said an expert. "Whether that is what happened, I don't know. There isn't any indication of it in the official statements."

Nevertheless he agreed with suggestions that if President Pompidou did promise French support for wider exchange margins, the return of the mark to fixed parity could come before the September meeting of the International Monetary Fund, which could decide formally on wider margins.

It is forecast that the new parity will be a higher one, perhaps near the current floating level of 3.50 marks to the dollar.

There is some basis for believing revaluation will come in August, normally a quiet month. France caught speculators completely off balance with its August devaluation two years ago.

Also in August, speculators who purchased marks in May for three-month delivery may decide to renew their contracts, on the expectation of an even greater revaluation, foreign exchange dealers said.

Exchange markets expect

Bonn to wait until after the IMF approves its long-sought wider margins before repegging, perhaps in October.

After the two-day summit meeting officials on both sides declared that the other rejected its ideas.

In one of the clearest statements, France's official spokesman, Leo Hamon, said: "It is to be feared that it would be unrealistic to believe that the Common Market can reach a common position before the meeting of the International Monetary Fund in September."

Brussels observers suspected the statement was to counter the optimism for a package solution that followed last week's EEC finance ministers' meeting. The package was to contain a Bonn promise to move to a fixed parity within a limited time, joint EEC support in the IMF for wider margins and common EEC controls on short-term capital movements.

French Finance Minister, Giscard d'Estaing, however, would not support wider margins without a date to end the mark float; and West German Economics Minister Schiller said the float would not end until the decision was taken to widen margins.

The capital controls were agreed in principle, but Professor Schiller would not formally agree without the rest of the package.

Before the summit, which officially ended with the two sides maintaining their previous positions, EEC officials expected the next finance ministers' meeting in September would approve the package. They believed the summit could provide the political impetus to allow approval.

AP-Dow Jones.

## Lebanon asks for Syrian oil terms

By PETER HILLMORE

Lebanon yesterday asked Syria to demand a 50 per cent increase in oil revenue from the Western-owned Iraq Petroleum Company. The company has a pipeline which carries crude oil from Iraq to Syrian and Lebanese ports on the Mediterranean.

President Salam of Lebanon said in Beirut yesterday that the Lebanese decision to seek an increase in its transit royalties was based on the agreement signed on Tuesday which gave Syria an £11 million increase in transit royalties. Lebanese royalties from IPC currently total around £4 million a year.

Another pipeline project to carry oil from Iran to Turkish Mediterranean ports is dormant, awaiting a decision by the Shah of Iran.

The Turkish Foreign Minister visited Iran at the end of last month, hoping to persuade the Shah to revive the project. Preliminary agreement had been reached in 1969, but the two countries were not able to get a usage guarantee of 50 million Arab countries.

## Who g

By PETER HILLMORE

Lebanon yesterday asked Syria to demand a 50 per cent increase in oil revenue from the Western-owned Iraq Petroleum Company. The company has a pipeline which carries crude oil from Iraq to Syrian and Lebanese ports on the Mediterranean.

President Salam of Lebanon said in Beirut yesterday that the Lebanese decision to seek an increase in its transit royalties was based on the agreement signed on Tuesday which gave Syria an £11 million increase in transit royalties. Lebanese royalties from IPC currently total around £4 million a year.

Another pipeline project to carry oil from Iran to Turkish Mediterranean ports is dormant, awaiting a decision by the Shah of Iran.

The Turkish Foreign Minister visited Iran at the end of last month, hoping to persuade the Shah to revive the project. Preliminary agreement had been reached in 1969, but the two countries were not able to get a usage guarantee of 50 million Arab countries.

## Hospital contract

Derek Crouch Construction of Birtley, Co. Durham, a member of the Derek Crouch Group of Peterborough, has been awarded a contract worth £1.7 million to carry out the first phase of a £7 million hospital development plan at Carlisle.

Work, to begin immediately at the Cumberland Royal Infirmary, includes an intensive care unit, operating theatre, central kitchen, dining room, and ward with 234 beds.

## S and U profit up

Pre-tax profit of S and U Stores, the Birmingham retailing and multiple order group, totalled £374,000 for the 10 months ended January, against £356,000 for the previous year. On a comparable basis, the directors say, profits were running 6 per cent ahead and would have totalled more than £800,000 for the full year.

The board is to pay a final dividend of 5 per cent making 10 per cent for the period

## CITY COMMENT

### FODENS

### Profit with a grain of salt

AFTER missing its target by £200,000, Fodens saw its share rise by 4p yesterday, which shows that the stock market is not as pessimistic as the company's financial position in 1970 was made worse by the lack of cash reserves. Subsidiary companies had deposits with their parent organisations of about £23 million, but when the NBC was created in 1969 it did not receive this cash from the Government. It was deducted from the initial capital debt. Faced with this "serious financial situation" NBC had to make corrective cuts.

The pound

These inevitable problems have been compounded by the Government's failure to produce a new set of regulations for vehicles which has naturally left supplier and buyer alike with no basis on which to plan. When the regulations finally appear later this month it should produce a surge in orders, but the company will still be left with the problem of a low rate of basic demand, particularly in the construction industry which accounts for about 40 per cent of its turnover and probably a bigger slice of profits. Even so, the market seems to be taking an unnecessarily harsh view of prospects, with shares at 182½p on a pre-earn-

ings ratio of only 6.9. With the Common Market looming ahead, Fodens needs to work on a broader base and a poor share rating will not help if it is still bent on growth by acquisition. But perhaps the biggest obstacle it faces is that if it enters the takeover arena again, any profits forecast it makes, however cautious, will be treated with considerable scepticism.

### TRIUMPH INVESTMENT

### Growing from the outside

LOOKING AT the breakdown of Triumph Investment Trust's profit for 1970-1, it is impossible to ignore the lack of organic growth within the group. Acquisitions have contributed by far the largest proportion of Triumph's rise—from £22.1 million to £25.5 million.

Before tax and company overheads, for example, the Metal Scrap and By-Products acquisition chipped in around £350,000 to the profit of the Merchant Banking and Metal Trading sector of Triumph's business. Without this sum, even allowing for write-offs of £149,000 on the film financing venture, Triumph's banking profit would have been stagnant.

The same applies to investment profit, up £900,000. Resolute Insurance, also acquired during the year, produced around £1 million. Since Resolute only breaks even on underwriting, these profits show up under the investment category and appear to account for the whole of the rise. Incidentally, the board says the change

in the basis of accounting at Resolute has not significantly affected profits.

In his statement the chairman, Mr G. T. Whyte, does not dodge the apparent lack of organic growth.

He says that the rumours surrounding the departure from the company of Mr J. Delbourgo, managing director of Triumph Insurance, had an adverse effect on profitability. Perhaps they did, but the fact remains that it was the insurance and insurance broking interests which were the only source of internal growth for the group, and rapid growth, too, with profit rising from £749,000 to £1.2 million.

To be fair, he argues that of more fundamental importance is the simple fact that "the fruits of the attention paid to the development of each sector of the group cannot appear at regular annual intervals."

With the shares selling on a price-earnings multiple of 12.8 at 173p, however, the stock market is not expecting Triumph's branches to bear fruit every year.

### WHITBREAD

### After caution, modest cheer!

THE WHITBREAD forecast of a pre-tax profit of £15 million at the time of the bid for Brickwoods was cautiously framed, which is as should be.

With the increase from 3.11p to 4.41p in earnings per share, cover goes up from 1.13 to 1.41 times.

Though the results are good they have been somewhat lacking in growth since the board reported a 32 per cent profit rise at the half-way stage. In December, however, shareholders were warned that £2 million in extra costs would take some of the zip out of second-half results.

Four months of increased selling prices and an improved performance by the managed houses have been helpful. Further benefits have flowed from rationalisation and improved use of assets. Given freedom from labour troubles the showpiece brewery at Luton will stiffen earnings power.

The preliminary statement does not give a turnover figure, but it is reasonable to assume that it was at least £220 million in 1970-71, against £200 million. Growth continues. Sales in April and May of the national brands like Mackeson, Tankard, Gold Label and Heineken have been good, but the poor June weather adversely affected trade.

The statement duly contained the brewers' traditional complaint about pressure from rising costs and margins. But a P/E of 16.3 at 72p for the "A" shares indicates a market view that the November price increases will offset that pressure for a while.

The inevitable question posed by the results is whether they are good enough to encourage the board to top the Grand Metropolitan Hotels' bid for Trumans. A Whitbread official was non-committal yesterday. "We are still keeping our options open," he said somewhat unoriginally.

## APPLY HERE FOR A 100% MORTGAGE

To: The National Mutual Life Assurance Society, 5 Bow Churchyard, London E.C.4. Tel: 01-246 5331

Please send me details of 100% mortgages.

Name \_\_\_\_\_ Age \_\_\_\_\_

Address \_\_\_\_\_

Tel Home/Office \_\_\_\_\_

Occupation \_\_\_\_\_

Send for our leaflet!

The National Mutual Life Assurance Society

Member of the Life Offices Association

Founded 1820

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or

Over £8,000—special terms negotiable.

Full details available from a bona-fide insurance broker, or



By Anthony Harris

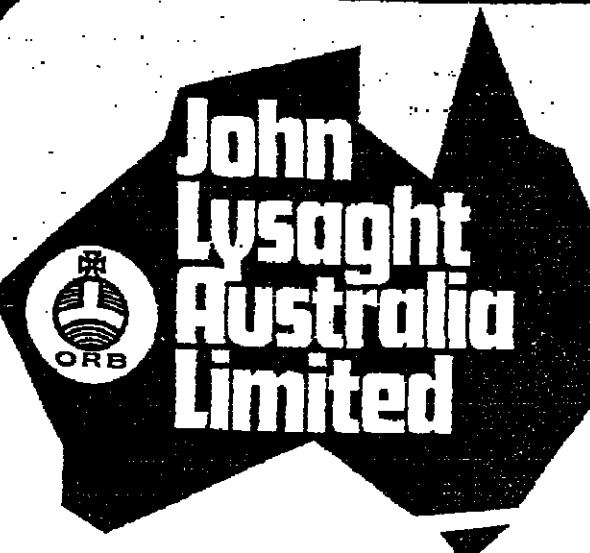
**By VICTOR KEEGAN**

1,040,400	7,531,300
-----------	-----------









In the first half of this decade, Lysaghts will quadruple in size. And this ambitious expansion will continue into the 1980's. You have a unique career opportunity to join an epoch-making Australian development.

## Controller about £6000

Plus Car Location Sydney

A newly constituted and autonomous Division of the Group with turnover exceeding £30 million in products made from sheet steel, with manufacturing and selling operations in all States of Australia, requires a seasoned industrial accountant as Controller. This is a senior management position in a vigorous market-oriented organisation.

The Group is also seeking:

### Management Accountants

The Controller's Department requires two really first-rate Management Accountants, one of whom will be based at Group Head Office, Sydney. The work will be responsible, varied and interesting. The Group is committed to the development of advanced management accounting systems and the use of computers for many purposes.

### Newly Qualified Accountants

of high standard can get in on the ground floor with quite exceptional career opportunities. The Group is willing to make appointments in several locations either in specific positions or, if preferred, on an 18-month tour of duty at several locations prior to specific location. There will be full opportunity for familiarisation with the many aspects of the Group's operations.

### Management Services

In addition to Controllershship, there will shortly be first class vacancies for experienced men in **Management Services and Internal Audit** and we invite early applications. Those with experience in data processing, O & M work operational research and in similar fields are of interest to the company, which requires staff of widely varied types.

### The prospect

The John Lysaght (Australia) Group, an independently managed organisation (jointly owned by The Broken Hill Proprietary Company Limited and Guest Keen & Nettlefolds Limited of the U.K.) with a present turnover of £100 million in steel sheet and coil, plans to spend more than £400 million in the next decade or so, constructing an integrated steel works at Westernport, Victoria. The initial stage of the new development will be the Group's second cold strip plant, costing £45 million, to be commissioned in 1972-73. The Group is already based in all States of the Commonwealth and has some overseas subsidiaries. The product range currently marketed is very wide. Also operations will become progressively more international as a major export plan is implemented.

**Applications**, including one-page summary of personal details, education, qualifications and experience, should be addressed to: DR. H. M. S. RISK CA FCWA JDipMA MIMC, RISK & PARTNERS LTD., P.O. Box 40, Amersham, Bucks. *Strictest confidence will be observed.*

### THE LABOUR PARTY

invites applications for a new post of

### LITERATURE SALES OFFICER

The person appointed will be expected to work closely with units of Party Organisation throughout the country in promoting sales of Party Literature. At the outset his time will be fully occupied in preparing the sale of the new weekly newspaper due to be launched on 1st October. A knowledge of the Party machinery and how it works is essential. Application forms obtainable from the Administrative Officer, the Labour Party, Transport House, Smith Square, London SW1P 3JA Tel: 01-634 94341 to be turned not later than 23rd July, 1971.

### CLASSIFIED ADVERTISING

Telephone: 01-837 7011  
061-832 9191

## Overseas Development

The provision of skilled manpower is a vital element in Britain's aid to the development of countries. Your professional skills are needed overseas and you will have the satisfaction of doing a challenging, responsible and worthwhile job. Salaries are assessed in accordance with qualifications and experience. The emoluments shown are based on basic salaries and allowances. Terms of service usually include free family passage, paid leave, educational grants and subsidised accommodation. For certain of those appointments an appointment grant and a car purchase loan may be payable. Appointments are on contract for 2-3 years in the first instance, unless otherwise stated. Candidates should normally be citizens of, and permanently resident in, the United Kingdom.

### ASST. COMPTROLLER - INLAND REVENUE

£3,348-3,612/Sarawak

For Income Tax investigation and to train local officers for investigation work. Candidates must be over 35 years of age and AICA, AIWCA, or ACCA, or have held the post of Inspector of Taxes (Higher Grade) or above in British Inland Revenue with wide relevant experience. A Gratuity of 25% of total emoluments is also payable.

### SENIOR AUDITORS

£2,686-3,384/Zambia

To assist in the audit of large numbers of statutory semi-state agencies and to carry out such other duties as assigned. Candidates, between 28-35 years, must possess ACA or ACCA or ACWA with at least five years' post qualification experience. Experience of audit of medium size concerns and of EDP or ADP is desirable. A Gratuity of 25% of total emoluments is also payable.

### STATISTICIAN

£1,472-2,458/The Gambia

To prepare statistical reports, graphs and charts on consumption, prices, trade, national income, foreign trade and balance of payments and annual economic reports. Candidates, over 30 years of age, must have an Honours degree in economics with statistics as a special subject. Practical experience in compilation and analysis of economic data is desirable. A Gratuity of 25% of total emoluments is also payable. Contract 1-2 years.

Foreign and Commonwealth Office

**OVERSEAS DEVELOPMENT ADMINISTRATION**  
Further information may be obtained about any of these vacancies by writing briefly stating your age, qualifications and experience to:  
The Appointments Officer, Room 101, Eland House, Stag Place, London, SW1E 6DH

## PIKROSE

This medium sized engineering company, backed by the resources of a large group, is one of the leading suppliers of winches and haulages to the world's mining industry. In order to maintain the growth which has recently been achieved, we are now looking for two senior executives to fill the following vacancies in our management team:

### Financial Controller

Applicants must be qualified Accountants aged between 28 and 45 with at least three years' post-qualification experience, preferably in the engineering industry. The successful candidate will be responsible to the Managing Director for the total accounting function including preparation of budgets, period accounts, cash forecasts, product costing, price analysis, etc. Previous experience at senior level is essential.

### Production Manager

Experienced Engineer with at least H.N.C. and a good background of shop floor management. He will be directly responsible to the Managing Director for the factory, production control and associated functions. The works employ about 200 men in batch and job machining and fitting. His immediate task will be to improve levels of output and operating costs. A new production stock control system is now being implemented by a leading firm of consultants.

Each position will carry a starting salary of around £3,000. If you think you are capable of contributing to the company's future development in one of these positions and would like to hear more about it, please write, giving brief details about yourself, to:

The Managing Director  
Pikrose & Company Limited  
Delta Works, Aylesbury  
Bucks HP8 5BS

### LONDONDERRY DEVELOPMENT COMMISSION

### MAINTENANCE MANAGER

£2,751-£3,150

This post is a key one under the Director of Works and will embrace the maintenance of all commission properties (including 4,000 houses), plant and vehicles, etc.

Applicants must have proven management and organising ability, wide technical experience and must be suitably qualified by examination e.g. R.I.C.S., Institute of Building H.N.C. or a recognised equivalent.

Salary in Principal Officers' Range £2,751 to £3,150. Commencing salary in accordance with qualifications and experience.

Application form and further particulars from the Personnel Officer, Londonderry Development Commission, Guildhall, Londonderry, returnable by the 6th August, 1971.

## THE GUARDIAN

is looking for a

### SALES EXECUTIVE

to join its expanding Advertisement Department in Manchester

The man we are looking for will be under 35, intelligent and experienced in high level selling. Experience in the media business would be useful but is not essential. He will want to work with a team which is not satisfied with second best; and maybe for a paper which he likes. Applicants should write giving details about themselves to:

Ian Richardson  
Northern Sales Manager  
The Guardian, 164 Deansgate  
Manchester M60 2RR

### AREA SALES MANAGER

(Livestock Feeding)

Area: EAST MIDLANDS and EAST ANGLIA  
Domicile: PETERBOROUGH/CAMBRIDGE area

This responsible post is salaried and involves field activity with ANIMAL FEEDING clients of this Company, and selling feedstuffs and feed procedures to livestock farmers. Within a defined sales policy this implies a high degree of independent decision and action. It demands INTEGRITY and METHOD.

Essential qualifications: Current experience in the Animal Feed Industry; personal acceptance at mill and farm level; proven selling ability and evidence of territory planning. Enthusiasm and the will to progress.

A company car is provided. A current clean driving licence is essential. References may be required. Expenses, pension scheme, removal assistance, etc., will be discussed with the selected applicant.

Apply, with details of present employment, salary, and past experience to:

SCIENTIFIC ANIMAL FOODS LIMITED

65/67 Northgate, Newark, Notts.

### SITUATIONS

#### TERING AND HOTEL STAFF

#### Manchester Education Committee

**REPECTORY SUPERVISOR**  
The Education Committee of the City of Manchester is seeking a Repectory Supervisor for the City of Manchester. The successful candidate will be responsible for the supervision of the Repectory staff in the City of Manchester. The salary is £1,200 per annum. Applications should be sent to the Secretary, Manchester Education Committee, 100 Piccadilly, Manchester M1 1BB.

**KING HOUSEKEEPER**  
The King Housekeeper is required for the King Hotel, 100 Piccadilly, Manchester. The successful candidate will be responsible for the supervision of the housekeeping staff in the King Hotel. The salary is £1,200 per annum. Applications should be sent to the Secretary, King Hotel, 100 Piccadilly, Manchester M1 1BB.

**DRAUGHTSMEN**  
The Draughtsmen are required for the Draughtsmen, 100 Piccadilly, Manchester. The successful candidate will be responsible for the draughting work in the Draughtsmen. The salary is £1,200 per annum. Applications should be sent to the Secretary, Draughtsmen, 100 Piccadilly, Manchester M1 1BB.

**ENGINEERS**  
The Engineers are required for the Engineers, 100 Piccadilly, Manchester. The successful candidate will be responsible for the engineering work in the Engineers. The salary is £1,200 per annum. Applications should be sent to the Secretary, Engineers, 100 Piccadilly, Manchester M1 1BB.

**GENERAL**  
The General is required for the General, 100 Piccadilly, Manchester. The successful candidate will be responsible for the general work in the General. The salary is £1,200 per annum. Applications should be sent to the Secretary, General, 100 Piccadilly, Manchester M1 1BB.

**ASSISTANT TO BUSINESS MANAGER**  
The Assistant to Business Manager is required for the Assistant to Business Manager, 100 Piccadilly, Manchester. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, Assistant to Business Manager, 100 Piccadilly, Manchester M1 1BB.

**University of Southampton**  
The University of Southampton is seeking a person to fill the post of Assistant to Business Manager. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Southampton, 100 Piccadilly, Manchester M1 1BB.

**ASSISTANT TO BUSINESS MANAGER**  
The Assistant to Business Manager is required for the Assistant to Business Manager, 100 Piccadilly, Manchester. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, Assistant to Business Manager, 100 Piccadilly, Manchester M1 1BB.

**University of Southampton**  
The University of Southampton is seeking a person to fill the post of Assistant to Business Manager. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Southampton, 100 Piccadilly, Manchester M1 1BB.

**ASSISTANT TO BUSINESS MANAGER**  
The Assistant to Business Manager is required for the Assistant to Business Manager, 100 Piccadilly, Manchester. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, Assistant to Business Manager, 100 Piccadilly, Manchester M1 1BB.

**University of Southampton**  
The University of Southampton is seeking a person to fill the post of Assistant to Business Manager. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Southampton, 100 Piccadilly, Manchester M1 1BB.

**ASSISTANT TO BUSINESS MANAGER**  
The Assistant to Business Manager is required for the Assistant to Business Manager, 100 Piccadilly, Manchester. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, Assistant to Business Manager, 100 Piccadilly, Manchester M1 1BB.

**University of Southampton**  
The University of Southampton is seeking a person to fill the post of Assistant to Business Manager. The successful candidate will be responsible for the assistant work in the Assistant to Business Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Southampton, 100 Piccadilly, Manchester M1 1BB.

#### OFFICE STAFF

#### University of Manchester

Applications are invited for the post of **DEPARTMENTAL SECRETARY** in the Department of History. The successful candidate will be responsible for the secretarial work in the Department of History. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Manchester, 100 Piccadilly, Manchester M1 1BB.

**PROFESSIONAL APPOINTMENTS**  
The Professional Appointments are required for the Professional Appointments, 100 Piccadilly, Manchester. The successful candidate will be responsible for the professional work in the Professional Appointments. The salary is £1,200 per annum. Applications should be sent to the Secretary, Professional Appointments, 100 Piccadilly, Manchester M1 1BB.

**ASSISTANT SOLICITOR - SOUTH MERSET**  
The Assistant Solicitor - South Mersey is required for the Assistant Solicitor - South Mersey, 100 Piccadilly, Manchester. The successful candidate will be responsible for the assistant work in the Assistant Solicitor - South Mersey. The salary is £1,200 per annum. Applications should be sent to the Secretary, Assistant Solicitor - South Mersey, 100 Piccadilly, Manchester M1 1BB.

**Factory Accountant**  
The Factory Accountant is required for the Factory Accountant, 100 Piccadilly, Manchester. The successful candidate will be responsible for the accounting work in the Factory Accountant. The salary is £1,200 per annum. Applications should be sent to the Secretary, Factory Accountant, 100 Piccadilly, Manchester M1 1BB.

**HURLEY MOATE ENGINEERING**  
The Hurley Moate Engineering is required for the Hurley Moate Engineering, 100 Piccadilly, Manchester. The successful candidate will be responsible for the engineering work in the Hurley Moate Engineering. The salary is £1,200 per annum. Applications should be sent to the Secretary, Hurley Moate Engineering, 100 Piccadilly, Manchester M1 1BB.

**LEEDS SOLICITORS**  
The Leeds Solicitors are required for the Leeds Solicitors, 100 Piccadilly, Manchester. The successful candidate will be responsible for the solicitor work in the Leeds Solicitors. The salary is £1,200 per annum. Applications should be sent to the Secretary, Leeds Solicitors, 100 Piccadilly, Manchester M1 1BB.

**NOTTINGHAM SOLICITORS**  
The Nottingham Solicitors are required for the Nottingham Solicitors, 100 Piccadilly, Manchester. The successful candidate will be responsible for the solicitor work in the Nottingham Solicitors. The salary is £1,200 per annum. Applications should be sent to the Secretary, Nottingham Solicitors, 100 Piccadilly, Manchester M1 1BB.

**SOLICITORS**  
The Solicitors are required for the Solicitors, 100 Piccadilly, Manchester. The successful candidate will be responsible for the solicitor work in the Solicitors. The salary is £1,200 per annum. Applications should be sent to the Secretary, Solicitors, 100 Piccadilly, Manchester M1 1BB.

**REPRESENTATIVES & AGENTS**  
The Representatives & Agents are required for the Representatives & Agents, 100 Piccadilly, Manchester. The successful candidate will be responsible for the representative work in the Representatives & Agents. The salary is £1,200 per annum. Applications should be sent to the Secretary, Representatives & Agents, 100 Piccadilly, Manchester M1 1BB.

**AGENT with proven selling ability**  
The Agent with proven selling ability is required for the Agent with proven selling ability, 100 Piccadilly, Manchester. The successful candidate will be responsible for the agent work in the Agent with proven selling ability. The salary is £1,200 per annum. Applications should be sent to the Secretary, Agent with proven selling ability, 100 Piccadilly, Manchester M1 1BB.

**TWO TELECOMMUNICATIONS REPRESENTATIVES**  
The Two Telecommunications Representatives are required for the Two Telecommunications Representatives, 100 Piccadilly, Manchester. The successful candidate will be responsible for the telecommunication work in the Two Telecommunications Representatives. The salary is £1,200 per annum. Applications should be sent to the Secretary, Two Telecommunications Representatives, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

#### MANAGERS & EXECUTIVES

#### OFFICE MANAGER

The Office Manager is required for the Office Manager, 100 Piccadilly, Manchester. The successful candidate will be responsible for the office work in the Office Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, Office Manager, 100 Piccadilly, Manchester M1 1BB.

**ORDER DISPATCH MANAGER**  
The Order Dispatch Manager is required for the Order Dispatch Manager, 100 Piccadilly, Manchester. The successful candidate will be responsible for the order dispatch work in the Order Dispatch Manager. The salary is £1,200 per annum. Applications should be sent to the Secretary, Order Dispatch Manager, 100 Piccadilly, Manchester M1 1BB.

**CONSERVATION TECHNICIAN**  
The Conservation Technician is required for the Conservation Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the conservation work in the Conservation Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Conservation Technician, 100 Piccadilly, Manchester M1 1BB.

**University of Manchester**  
The University of Manchester is seeking a person to fill the post of Conservation Technician. The successful candidate will be responsible for the conservation work in the Conservation Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Manchester, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN**  
The Technician is required for the Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician, 100 Piccadilly, Manchester M1 1BB.

**University of Manchester**  
The University of Manchester is seeking a person to fill the post of Technician. The successful candidate will be responsible for the technician work in the Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Manchester, 100 Piccadilly, Manchester M1 1BB.

**A JUNIOR TECHNICIAN**  
The Junior Technician is required for the Junior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the junior technician work in the Junior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Junior Technician, 100 Piccadilly, Manchester M1 1BB.

**University of Manchester**  
The University of Manchester is seeking a person to fill the post of Junior Technician. The successful candidate will be responsible for the junior technician work in the Junior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, University of Manchester, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

**TECHNICIAN/SENIOR TECHNICIAN**  
The Technician/Senior Technician is required for the Technician/Senior Technician, 100 Piccadilly, Manchester. The successful candidate will be responsible for the technician work in the Technician/Senior Technician. The salary is £1,200 per annum. Applications should be sent to the Secretary, Technician/Senior Technician, 100 Piccadilly, Manchester M1 1BB.

### BUSINESS

#### CONTRACTS AND TENDERS

#### BOROUGH OF PRESTWICK

TENDERS are invited from Contractors for the construction of a new building in the Borough of Prestwick. The successful candidate will be responsible for the construction work in the Borough of Prestwick. The salary is £1,200 per annum. Applications should be sent to the Secretary, Borough of Prestwick, 100 Piccadilly, Manchester M1 1BB.

**CITY OF MANCHESTER**  
The City of Manchester is seeking a person to fill the post of Borough of Prestwick. The successful candidate will be responsible for the construction work in the Borough of Prestwick. The salary is £1,200 per annum. Applications should be sent to the Secretary, City of Manchester, 100 Piccadilly, Manchester M1 1BB.

**KEARSLY URBAN DISTRICT COUNCIL**  
The Kearsley Urban District Council is seeking a person to fill the post of Borough of Prestwick. The successful candidate will be responsible for the construction work in the Borough of Prestwick. The salary is £1,200 per annum. Applications should be sent to the Secretary, Kearsley Urban District Council, 100 Piccadilly, Manchester M1 1BB.

**TENDERS ARE INVITED FOR**  
Tenders are invited for the construction of a new building in the Borough of Prestwick. The successful candidate will be responsible for the construction work in the Borough of Prestwick. The salary is £1,200 per annum. Applications should be sent to the Secretary, Tenders, 100 Piccadilly, Manchester M1 1BB.

**WORK WANTED**  
The Work Wanted is required for the Work Wanted, 100 Piccadilly, Manchester. The successful candidate will be responsible for the work wanted work in the Work Wanted. The salary is £1,200 per annum. Applications should be sent to the Secretary, Work Wanted, 100 Piccadilly, Manchester M1 1BB.

**INDUSTRIAL CENTRAL HEATING**  
The Industrial Central Heating is required for the Industrial Central Heating, 100 Piccadilly, Manchester. The successful candidate will be responsible for the industrial central heating work in the Industrial Central Heating. The salary is £1,200 per annum. Applications should be sent to the Secretary, Industrial Central Heating, 100 Piccadilly, Manchester M1 1BB.

**BUSINESS OPPORTUNITIES**  
The Business Opportunities are required for the Business Opportunities, 100 Piccadilly, Manchester. The successful candidate will be responsible for the business opportunities work in the Business Opportunities. The salary is £1,200 per annum. Applications should be sent to the Secretary, Business Opportunities, 100 Piccadilly, Manchester M1 1BB.

**TO CLEAR**  
The To Clear is required for the To Clear, 100 Piccadilly, Manchester. The successful candidate will be responsible for the to clear work in the To Clear. The salary is £1,200 per annum. Applications should be sent to the Secretary, To Clear, 100 Piccadilly, Manchester M1 1BB.

**CLASSIFIED ADVERTISING**  
The Classified Advertising is required for the Classified Advertising, 100 Piccadilly, Manchester. The successful candidate will be responsible for the classified advertising work in the Classified Advertising. The salary is £1,200 per annum. Applications should be sent to the Secretary, Classified Advertising, 100 Piccadilly, Manchester M1 1BB.

**TELEPHONE YOUR CLASSIFIED ADVERTISEMENTS TO:**  
The Telephone Your Classified Advertisements To is required for the Telephone Your Classified Advertisements To, 100 Piccadilly, Manchester. The successful candidate will be responsible for the telephone your classified advertisements to work in the Telephone Your Classified Advertisements To. The salary is £1,200 per annum. Applications should be sent to the Secretary, Telephone Your Classified Advertisements To, 100 Piccadilly, Manchester M1 1BB.

**OK MAIL TO:**  
The OK Mail To is required for the OK Mail To, 100 Piccadilly, Manchester. The successful candidate will be responsible for the ok mail to work in the OK Mail To. The salary is £1,200 per annum. Applications should be sent to the Secretary, OK Mail To, 100 Piccadilly, Manchester M1 1BB.

**THE GUARDIAN**  
The Guardian is required for the Guardian, 100 Piccadilly, Manchester. The successful candidate will be responsible for the guardian work in the Guardian. The salary is £1,200 per annum. Applications should be sent to the Secretary, Guardian, 100 Piccadilly, Manchester M1 1BB.

**CLASSIFIED ADVERTISING DEPARTMENT**  
The Classified Advertising Department is required for the Classified Advertising Department, 100 Piccadilly, Manchester. The successful candidate will be responsible for the classified advertising department work in the Classified Advertising Department. The salary is £1,200 per annum. Applications should be sent to the Secretary, Classified Advertising Department, 100 Piccadilly, Manchester M1 1BB.

#### HAWKER SIDDELEY GROUP

#### ACCOUNTING OPPORTUNITIES

We wish to recruit qualified accountants for the Group Finance Department. Initially the work would comprise the review of managerial controls as internal audit assignments in a variety of Group companies, but there is career potential for eventual appointment to executive posts within the Group. Men in their 20's of above average ability would be preferred, but older men will be considered.

There are vacancies in the London, Hatfield, Manchester and Loughborough areas.

Salaries offered are attractive and there is a contributory pension scheme with life assurance benefits and 4 weeks' annual holiday.

Applications should be addressed to:

The Group Accountant  
HAWKER SIDDELEY GROUP LIMITED  
18 St. James's Square,  
London, S.W.1.

#### PUBLIC APPOINTMENTS

#### UNIVERSITIES

#### UNIVERSITY OF BRISTOL

Applications are invited for appointment as **TEMPORARY LECTURER IN SOCIOLOGY**. The salary will be £3,017 for the year. Further details will be obtained from the Registrar, University of Bristol, 100 Piccadilly, Manchester M1 1BB.

**UNIVERSITY COLLEGE, CARDIFF**  
The University College, Cardiff is seeking a person to fill the post of Temporary Lecturer in Sociology. The successful candidate will be responsible for the temporary lecturer work in the Temporary Lecturer in Sociology. The salary is £1,200 per annum. Applications should be sent to the Secretary, University College, Cardiff, 100 Piccadilly, Manchester M1 1BB.

**DIRECTOR OF EDUCATIONAL TECHNOLOGY**  
The Director of Educational Technology is required for the Director of Educational Technology, 100 Piccadilly, Manchester. The successful candidate will be responsible for the director of educational technology work in the Director of Educational Technology. The salary is £1,200 per annum. Applications should be sent to the Secretary, Director of Educational Technology, 100 Piccadilly, Manchester M1 1BB.



















# Rich get richer and poor get poorer, says Labour MP

By IAN AITKEN

The publication of the Government's long-awaited White Paper on the terms of entry into the Common Market left the ranks of both the pro- and the anti-Marketters on both sides of the Commons predictably embalmed in their existing positions.

The pro-Marketters welcomed the White Paper and described it as an enlightened document to assist the Commons in arriving at an historic decision. The anti-Marketters noted a number of glaring omissions in its text—including an overall figure for the cost of entry on Britain's balance of payments.

The absence of a figure for the total cost of entry was justified in Whitehall yesterday on the grounds that it would be wrong to offer a highly questionable and speculative figure for the cost, when it was impossible to provide any kind of calculation of the financial advantage of entry. But there was every sign last night that Labour MPs—and probably a number of Tory anti-Marketters—would protest that the White Paper had withheld vital information from the British public.

However, it was the question of the revival of regional development policy which provided the major argument for the anti-Marketters. They pointed out that only 11 lines of the 20,000-word White Paper had been devoted to regional policy, and that even this brief discussion had failed to provide any assurances for Welsh, Scottish, Northern, and Western MPs about the future of their constituencies after Britain's entry.

The same subject dominated a debate in the Parliamentary Labour Party which took place shortly before the publication of the White Paper. One previous supporter of Britain's entry, Mr Geoffrey Rhodes (Newcastle East), declared himself a convert to the anti-Market cause on the grounds that he had made a special study of regional policies in the Common Market.

As a member of the Council of Europe, he told the meeting, he had made it his special business to examine the adequacy of regional policies in the Six. He had discovered they were ineffective and that the population of Southern Italy was still moving out towards the North. He cited examples in which

the Italian Government had refused to allow companies to establish factories in the North, in the hope they would move to the South. The result had been that the companies had moved out of Italy altogether and had built their factories much closer to the industrial centre of the EEC.

What was happening in Europe was that the rich areas were tending to become richer and the poor areas to become still poorer, he said. Britain's membership was therefore likely to benefit the Midlands and the South at the expense of the North.

Mr John Silkin, who was making his first speech since he ceased to be Labour's Chief Whip, declared himself an opponent of entry. He flatly denied Lord George-Brown's suggestion that the Labour Party had made up its mind in favour of entry when it launched its negotiations with the Six in 1967, and also denied that the party would lose credibility if it now came out against entry. There was no doubt that the country and the party had turned against the terms since 1967—it was one of the privileges of a democratic system that people who are able to change their minds.

He insisted that there had been substantial changes in the Parliamentary Labour Party since 1967 involving a strong move away from the uncommitted centre towards the two extremes of support and opposition. There were many new members, and he predicted they were divided approximately 3-1 against entry.

He was answered by Dr David Owen (Sutton) who appealed for party unity in spite of the differences over Europe. There was no reason to give the Tories a present of a bitterly-divided Labour Party, he said. He



The cooling-off procedure in operation for hot-footed visitors in Trafalgar Square yesterday. (Picture by Peter Johns)

## Hall bows out

MR PETER HALL (below) has withdrawn as co-director elect of the Royal Opera House. In September he was to have begun a five-year contract stipulating 26 weeks' work a year. The Royal Opera said Mr Hall believed 26 weeks was not long enough to do the job properly, and that his theatre and film commitments made it impossible for him to give more time to Covent Garden. Mr Hall would still be available for future productions. The opera would now be managed by the musical director, Mr Colin Davis, and the specially-created post of co-director would remain vacant.



ments made it impossible for him to give more time to Covent Garden. Mr Hall would still be available for future productions. The opera would now be managed by the musical director, Mr Colin Davis, and the specially-created post of co-director would remain vacant.

## Paisley calls talks a 'political trick'

Inter-party talks sponsored by the Northern Ireland Prime Minister, Mr Brian Faulkner, in Belfast yesterday were boycotted by the Rev. Ian Paisley and his Protestant Unionist colleague, the Rev. William Beattie.

They condemned the talks as "a nakedly transparent attempt to raise support for the Prime Minister" by another political trick when the country has its back to the wall.

There were eight Unionists, and MPs from the opposition parties at the meeting. The Prime Minister had asked all parties to give a serious trial to what he described as an experiment in patient discussion.

On the industrial front, Lord Rochdale, chairman of Harland and Wolff, said yesterday that the shipyard was now ready for action. He said he had taken the job "not only for the indus-

try but for the country and Northern Ireland in particular."

Lord Rochdale and Mr Iyer Hoppe, the new managing director, were guests at the naming ceremony of the £7½ million tanker, Esso Caledonia, a fixed price vessel which Harland built at a considerable loss. Mr Hoppe said that one of his first priorities would be labour relations and the building up of a team to make the yard profitable.

Mr Alan Watt, the deputy chairman, said that if Harland did not want to finish up with the largest swimming pool in the world, their delivery dates had to be kept.

Two former members of the Ulster Special Constabulary were given six-month prison sentences yesterday at Belfast on ammunition charges. The Rev Ian Paisley has claimed that there has been a clandestine rearming of the RUC. He

## A new drop in jobs

By our Financial Staff

There was another big drop in employment between April and May in spite of the fact that the trend in unemployment was then moderating.

It was concentrated on manufacturing where 54,000 jobs, 40,000 of them for men, vanished in the month. The drop over the 12 months to May was 339,000 in manufacturing (against 305,000 in April), 191,000 jobs for men and 148,000 jobs for women. In all of production industries, the fall is now 424,000 jobs in year.

Another disturbing sign of a deepening recession is another sharp rise in long-term unemployment as a proportion of the whole: 63 per cent of all the unemployed had been out of work for more than two months in June, up from 61 per cent in May. For men the proportion was just under 66 per cent.

The rise in unemployment or a seasonally adjusted basis in the period since the Budget is now 85,000—all men.

## Yesterday's Guardian

The Guardian apologises to some readers for deficiencies in the copies of the paper they received yesterday. These were caused by mechanical difficulties because of colour printing. As a result, certain parts of the paper were missing from some copies. The paper was printed in full coverage of the arts.

## Woman cleared of killing

Mrs Elizabeth Alexander, age 31, of Kilburn Street, Notting Hill, was found not guilty of the murder of her husband, Terence, in a London court yesterday. She produced a knife to fight him and he died when he lunged at her.

## Another £21 M in aid from Britain

BY OUR POLITICAL STAFF

Britain has sent £21 millions to the International Development Association in response to a request by Mr Robert McNamara, president of the World Bank, to the Foreign Secretary, Sir Alec Douglas-Home.

Britain has already promised to give IDA, an affiliate of the World Bank, £129.6 millions from this month until June, 1974. But because the 11 other contributing nations needed time to pass legislation before joining their pledge to give £1,900 millions, Mr McNamara asked Sir Alec for an advance payment made possible under the 1968 Overseas Aid Act.

Mr Richard Wood, Minister of Overseas Development, told the Commons yesterday in a written reply that a further £22 millions out of the four-year total would follow after the immediate £21 millions.

"The money we have pledged, together with the amounts which are also to be made available by the Governments of Canada, Denmark and Finland, should enable the association to continue its commitment programme for some time," Mr Wood said.

IDA helps developing countries, many in the Commonwealth, who need outside capital but cannot make the foreign exchange payments needed for ordinary development loans. In 11 years, it has made \$3,000 millions available.

## Woman to climb oak tree

THE SENTIMENTAL value of a house made of packing cases perched 40ft on an oak tree is such to a housewife at Yateley, Hampshire, that she is going to climb up and stay there when the county council men come to cut the tree down.

The housewife, Mrs Margaret Crosbie, said yesterday: "The council made its plans known two years ago. They wanted 20ft of my garden and twice came down to measure it out. I was shown plans to chop down my oak tree—and the surveyors were promptly shown the door. My husband protested to the council and we have refused to let council workmen back on to our land."

"Compensation for taking part of our garden and chopping the tree down doesn't mean a thing. We don't want anything to do with the council. I realise the road is dangerous, but if people would stick to the 40 mph limit there would be no trouble. There has never been a death in the lane."

## Reflation hint and Market terms

continued from page one

the effects on the UK's economy of Britain's entry. It is impossible, in the Government's view, to produce valid figures on which to base a balance sheet.

But Ministers commend British entry, without a balance sheet, on the grounds of the experience of the EEC. Ministers' conviction that its creation materially contributed to its members' growth, and that there is an essential similarity between the economies of the UK and of the members of the EEC.

In any case, the Government wants the public to know that it will be some eight years before the full impact of British membership could be felt: it will be 18 months before the transitional period starts, another five years before the transitional period ends, and another two years before the UK is completely a member of the EEC.

The White Paper says little about future developments in an enlarged EEC. Ministers assume that development to follow that will be a financial and currency agreement. After that, the political Community might be established. Ministers do not expect a defence Community to be set up before political arrangements have been agreed by all the members of the EEC.

Critics of Britain's membership have made much of the fact that, once in, she would be in for all time. The White Paper does not say so. Referring to the treaties establishing the EEC and the European Coal and Steel Community, the paper states: "Those treaties contain no provision expressly permitting or prohibiting with-

drawal. Nor do some other important treaties to which the UK is a party, for example, the UN Charter."

The Government accepts the view that those who apply for membership of the EEC and the ECSC do so with the object of making the arrangements work. But since each member of the EEC has the right to veto any proposal which it regards as being against its national interests, there can be no doubt that in the last resort any member may withdraw.

Mr Wilson decided last night to exercise his right of reply to Mr Heath's Ministerial broadcast. The Opposition Leader will broadcast tomorrow. Mr Wilson's decision to reply tomorrow was interpreted last night as meaning that he would reject the terms which have been negotiated by Mr Rippon for Britain.

## Union in suspense

The Amalgamated Union of Engineering Workers was yesterday suspended from membership of the Irish Congress of Trade Unions for failing to comply with conditions which congress insists must be met before strike action is taken.

The British-based AUEW, which has 33,000 members throughout Ireland, had attempted to organise a full-scale strike in the national road and rail services of the Irish Republic.

## Guilty of bet shop murder

Michael Baverstock (26), who shot a man in a raid on a betting shop, was found guilty of murder at the Central Criminal Court last night. He was one of four men involved in the raid on the shop in Lower Road, Rotherhithe, London, on February 3. He will be sentenced today.

Mr John Mathew, prosecuting, had said that Mr Stanley Butcher, aged 65, was killed by a .32 revolver bullet which hit his chest and penetrated his lung. It was fired by Baverstock as he and the other men burst into the shop. As Mr Butcher lay dying, the men grabbed £187 from the till and fled.

Baverstock, of Meakin Estate, Decima Street, Bermondsey, said in evidence that the gun went off accidentally when he barged open the locked door to the betting office.

Daniel John Duggan (41), of Tanner House, Tanner Street, Bermondsey, was found not guilty of the murder but guilty of manslaughter. He, and two other men who have admitted manslaughter and robbery, will also be sentenced today.

## Chay home soon

Chay Blyth, on his way home after the first non-stop one-man voyage round the world from east to west, said yesterday he expected to arrive at Southampton in four weeks. He said all was well on board his 17-40 ketch, British Steel. His position was about 300 miles due west of the Canary Islands.

## 7pc not enough

A PAY OFFER of 7 per cent to 350,000 local government staff was rejected yesterday by leaders of the five unions involved. Greater London Council and Inner London Education Authority staff also rejected a 7 per cent offer.

## ILTF bans pros

THE INTERNATIONAL Lawn Tennis Federation yesterday banned World Championship Tennis professionals, such as Rod Laver and John Newcombe, from all their competitions including Wimbledon.

(David Gray, page 23)

## In doghouse

A BAGGAGE HANDLER, Elmar Medendorp, aged 19—survived when he was accidentally locked in the hold of an Iberia Airlines DC9 at Düsseldorf. He found that a dog was part of the cargo, which meant that the compartment had been specially pressurised. A doctor found him ruffled but well when the Madrid-bound aircraft made an emergency landing at Bordeaux.

## 69 at 27th

TONY JACKLIN celebrated his 27th birthday yesterday with a round of 69 to share the lead in the first round of the 100th Open Golf Championship at Royal Birkdale, Lancashire.

## STOP PRESS

Four explosions in Tel-Aviv suburb of Petach Tikva. Firemen said there were "many casualties."—UPI.

## THE WEATHER

### AROUND BRITAIN

Reports for 24 hours ended 6 p.m. yesterday:

Area	Temp	Wind	Cloud	Remarks
London	15.5	25	77	Sunny
Edinburgh	12.5	25	77	Sunny
Belfast	12.5	25	77	Sunny
Cardiff	12.5	25	77	Sunny
Manchester	12.5	25	77	Sunny
Birmingham	12.5	25	77	Sunny
Nottingham	12.5	25	77	Sunny
Leeds	12.5	25	77	Sunny
Sheffield	12.5	25	77	Sunny
Coventry	12.5	25	77	Sunny
Southampton	12.5	25	77	Sunny
Bristol	12.5	25	77	Sunny
Exeter	12.5	25	77	Sunny
Cardiff	12.5	25	77	Sunny
Belfast	12.5	25	77	Sunny

### AROUND THE WORLD

(Lunch-time reports)

Area	Temp	Wind	Cloud	Remarks
London	15.5	25	77	Sunny
Edinburgh	12.5	25	77	Sunny
Belfast	12.5	25	77	Sunny
Cardiff	12.5	25	77	Sunny
Manchester	12.5	25	77	Sunny
Birmingham	12.5	25	77	Sunny
Nottingham	12.5	25	77	Sunny
Leeds	12.5	25	77	Sunny
Sheffield	12.5	25	77	Sunny
Coventry	12.5	25	77	Sunny
Southampton	12.5	25	77	Sunny
Bristol	12.5	25	77	Sunny
Exeter	12.5	25	77	Sunny
Cardiff	12.5	25	77	Sunny
Belfast	12.5	25	77	Sunny

## Mostly dry and warm

Mostly dry with long spells of sun. Northern Ireland will be cloudy with some rain. It will be hot in most places.

London: 10.0 a.m. to 2.30 p.m. 15.5, 16.0, 16.5, 17.0, 17.5, 18.0, 18.5, 19.0, 19.5, 20.0, 20.5, 21.0, 21.5, 22.0, 22.5, 23.0, 23.5, 24.0, 24.5, 25.0, 25.5, 26.0, 26.5, 27.0, 27.5, 28.0, 28.5, 29.0, 29.5, 30.0, 30.5, 31.0, 31.5, 32.0, 32.5, 33.0, 33.5, 34.0, 34.5, 35.0, 35.5, 36.0, 36.5, 37.0, 37.5, 38.0, 38.5, 39.0, 39.5, 40.0, 40.5, 41.0, 41.5, 42.0, 42.5, 43.0, 43.5, 44.0, 44.5, 45.0, 45.5, 46.0, 46.5, 47.0, 47.5, 48.0, 48.5, 49.0, 49.5, 50.0, 50.5, 51.0, 51.5, 52.0, 52.5, 53.0, 53.5, 54.0, 54.5, 55.0, 55.5, 56.0, 56.5, 57.0, 57.5, 58.0, 58.5, 59.0, 59.5, 60.0, 60.5, 61.0, 61.5, 62.0, 62.5, 63.0, 63.5, 64.0, 64.5, 65.0, 65.5, 66.0, 66.5, 67.0, 67.5, 68.0, 68.5, 69.0, 69.5, 70.0, 70.5, 71.0, 71.5, 72.0, 72.5, 73.0, 73.5, 74.0, 74.5, 75.0, 75.5, 76.0, 76.5, 77.0, 77.5, 78.0, 78.5, 79.0, 79.5, 80.0, 80.5, 81.0, 81.5, 82.0, 82.5, 83.0, 83.5, 84.0, 84.5, 85.0, 85.5, 86.0, 86.5, 87.0, 87.5, 88.0, 88.5, 89.0, 89.5, 90.0, 90.5, 91.0, 91.5, 92.0, 92.5, 93.0, 93.5, 94.0, 94.5, 95.0, 95.5, 96.0, 96.5, 97.0, 97.5, 98.0, 98.5, 99.0, 99.5, 100.0, 100.5, 101.0, 101.5, 102.0, 102.5, 103.0, 103.5, 104.0, 104.5, 105.0, 105.5, 106.0, 106.5, 107.0, 107.5, 108.0, 108.5, 109.0, 109.5, 110.0, 110.5, 111.0, 111.5, 112.0, 112.5, 113.0, 113.5, 114.0, 114.5, 115.0, 115.5, 116.0, 116.5, 117.0, 117.5, 118.0, 118.5, 119.0, 119.5, 120.0, 120.5, 121.0, 121.5, 122.0, 122.5, 123.0, 123.5, 124.0, 124.5, 125.0, 125.5, 126.0, 126.5, 127.0, 127.5, 128.0, 128.5, 129.0, 129.5, 130.0, 130.5, 131.0, 131.5, 132.0, 132.5, 133.0, 133.5, 134.0, 134.5, 135.0, 135.5, 136.0, 136.5, 137.0, 137.5, 138.0, 138.5, 139.0, 139.5, 140.0, 140.5, 141.0, 141.5, 142.0, 142.5, 143.0, 143.5, 144.0, 144.5, 145.0, 145.5, 146.0, 146.5, 147.0, 147.5, 148.0, 148.5, 149.0, 149.5, 150.0, 150.5, 151.0, 151.5, 152.0, 152.5, 153.0, 153.5, 154.0, 154.5, 155.0, 155.5, 156.0, 156.5, 157.0, 157.5, 158.0, 158.5, 159.0, 159.5, 160.0, 160.5, 161.0, 161.5, 162.0, 162.5, 163.0, 163.5, 164.0, 164.5, 165.0, 165.5, 166.0, 166.5, 167.0, 167.5, 168.0, 168.5, 169.0, 169.5, 170.0, 170.5, 171.0, 171.5, 172.0, 172.5, 173.0, 173.5, 174.0, 174.5, 175.0, 175.5, 176.0, 176.5, 177.0, 177.5, 178.0, 178.5, 179.0, 179.5, 180.0, 180.5, 181.0, 181.5, 182.0, 182.5, 183.0, 183.5, 184.0, 184.5, 185.0, 185.5, 186.0, 186.5, 187.0, 187.5, 188.0, 188.5, 189.0, 189.5, 190.0, 190.5, 191.0, 191.5, 192.0, 192.5, 193.0, 193.5, 194.0, 194.5, 195.0, 195.5, 196.0, 196.5, 197.0, 197.5, 198.0, 198.5, 199.0, 199.5, 200.0, 200.5, 201.0, 201.5, 202.0, 202.5, 203.0, 203.5, 204.0, 204.5, 205.0, 205.5, 206.0, 206.5, 207.0, 207.5, 208.0, 208.5, 209.0, 209.5, 210.0, 210.5, 211.0, 211.5, 212.0, 212.5, 213.0, 213.5, 214.0, 214.5, 215.0, 215.5, 216.0, 216.5, 217.0, 217.5, 218.0, 218.5, 219.0, 219.5, 220.0, 220.5, 221.0, 221.5, 222.0, 222.5, 223.0, 223.5, 224.0, 224.5, 225.0, 225.5, 226.0, 226.5, 227.0, 227.5, 228.0, 228.5, 229.0, 229.5, 230.0, 230.5, 231.0, 231.5, 232.0, 232.5, 233.0, 233.5, 234.0, 234.5, 235.0, 235.5, 236.0, 236.5, 237.0, 237.5, 238.0, 238.5, 239.0, 239.5, 240.0, 240.5, 241.0, 241.5, 242.0, 242.5, 243.0, 243.5, 244.0, 244.5, 245.0, 245.5, 246.0, 246.5, 247.0, 247.5, 248.0, 248.5, 249.0, 249.5, 250.0, 250.5, 251.0, 251.5, 252.0, 252.5, 253.0, 253.5, 254.0, 254.5, 255.0, 255.5, 256.0, 256.5, 257.0, 257.5, 258.0, 258.5, 259.0, 259.5, 260.0, 260.5, 261.0, 261.5, 262.0, 262.5, 263.0, 263.5, 264.0, 264.5, 265.0, 265.5, 266.0, 266.5, 267.0, 267.5, 268.0, 268.5, 269.0, 269.5, 270.0, 270.5, 271.0, 271.5, 272.0, 272.5, 273.0, 273.5, 274.0, 274.5, 275.0, 275.5, 276.0, 276.5, 277.0, 277.5, 278.0, 278.5, 279.0, 279.5, 280.0, 280.5, 281.0, 281.5, 282.0, 282.5, 283.0, 283.5, 284.0, 284.5, 285.0, 285.5, 286.0, 286.5, 287.0, 287.5, 288.0, 288.5, 289.0, 289.5, 290.0, 290.5, 291.0, 291.5, 292.0, 292.5, 293.0, 293.5, 294.0, 294.5, 295.0, 295.5, 296.0, 296.5, 297.0, 297.5, 298.0, 298.5, 299.0, 299.5, 300.0, 300.5, 301.0, 301.5, 302.0, 302.5, 303.0, 303.5, 304.0, 304.5, 305.0, 305.5, 306.0, 306.5, 307.0, 307.5, 308.0, 308.5, 309.0, 309.5, 310.0, 310.5, 311.0, 311.5, 312.0, 312.5, 313.0, 313.5, 314.0, 314.5, 315.0, 315.5, 316.0, 316.5, 317.0, 317.5, 318.0, 318.5, 319.0, 319.5, 3